THE WATER RESOURCES DEVELOPMENT ACT OF 1994 AND ISSUES RELATED TO REAUTHORIZATION OF THE CIVIL WORKS PROGRAM OF THE U.S. ARMY CORPS OF ENGINEERS

(103–84)

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The Water Resources Development Act...

HEARINGS

BEFORE THE

SUBCOMMITTEE ON
WATER RESOURCES AND ENVIRONMENT

OF THE

COMMITTEE ON
PUBLIC WORKS AND TRANSPORTATION
HOUSE OF REPRESENTATIVES

ONE HUNDRED THIRD CONGRESS

SECOND SESSION

JUNE 22; JULY 19 AND 26, 1994

Printed for the use of the
Committee on Public Works and Transportation

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103D CONGRESS
2D SESSION

H. R. 4460

To provide for conservation and development of water and related resources, to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 19, 1994

Mr. MINETA (for himself and Mr. APPLEGATE) (both by request) introduced the following bill; which was referred to the Committee on Public Works and Transportation

---

A BILL

To provide for conservation and development of water and related resources, to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 "Water Resources Development Act of 1994".

6 (b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.

Sec. 2. Definitions.
Sec. 3. Project authorizations.
Sec. 4. Project modifications.
Sec. 5. Cost-sharing of environmental projects.
Sec. 6. Recovery of costs for clean up of hazardous or toxic substances.
Sec. 7. Collaborative research and development.
Sec. 8. National inventory of dams.
Sec. 9. Hydroelectric power project uprating.
Sec. 10. Engineering and environmental innovations of national significance.
Sec. 11. Federal lump-sum payments for Federal operation and maintenance costs.
Sec. 12. Cost-sharing for removal of existing project features.
Sec. 13. Technical advisory committee.
Sec. 14. Technical corrections.
Sec. 15. Project deauthorizations.
Sec. 16. Contract goals for small disadvantaged business concerns and historically black colleges and universities or minority institutions.
Sec. 17. Cost-sharing for dam safety work.
Sec. 18. Revocation of section 211, River and Harbor Act of 1950.
Sec. 19. Research and development in support of Army Civil Works program.
Sec. 20. Interagency and international support authority.
Sec. 21. Expansion of section 1135 program.
Sec. 22. Regulatory Program Fund.

SEC. 2. DEFINITIONS.

For purposes of this Act, the term "Secretary" means the Secretary of the Army.

SEC. 3. PROJECT AUTHORIZATIONS.

[RESERVED]

SEC. 4. PROJECT MODIFICATIONS.

[RESERVED]

SEC. 5. COST-SHARING OF ENVIRONMENTAL PROJECTS.

Section 103(c) of the Water Resources Development Act of 1986 (100 Stat. 4085) is amended by adding the following new subsection:

"(7) environmental protection and restoration: 25 percent.".

1 **SEC. 6. RECOVERY OF COSTS FOR CLEAN UP OF HAZARD-**
2 **OUS OR TOXIC SUBSTANCES.**

3 Amounts recovered under section 107 of the Com-
4 prehensive Environmental Response, Compensation, and
5 Liability Act of 1980 (42 U.S.C. 9607) for any response
6 action taken by the Secretary in support of the Army Civil
7 Works program shall be credited to the appropriate Trust
8 Fund Account from which the cost of such response action
9 has been paid or will be charged.

10 **SEC. 7. COLLABORATIVE RESEARCH AND DEVELOPMENT.**

11 Section 7 of the Water Resources Development Act
12 of 1988 (102 Stat. 4022) is amended by—

13 (1) redesignating subsections (b), (c), and (d)
14 as paragraphs (1), (2), and (3);

15 (2) deleting subsection (e); and

16 (3) adding the following new subsection:

17 "(b) PRE-AGREEMENT TEMPORARY PROTECTION OF
18 TECHNOLOGY.—If the Secretary determines that informa-
19 tion developed as a result of research and development ac-
20 tivities conducted by the Corps of Engineers is likely to
21 be subject to a cooperative research and development
22 agreement within 2 years of its development and that such
23 information would be a trade secret or commercial or fi-
24 nancial information that would be privileged or confiden-
25 tial if the information had been obtained from a non-Fed-
26 eral party participating in a cooperative research and de-

1 velopment agreement under section 12 of the Stevenson-
2 Wydler Technology Innovation Act of 1980, the Secretary
3 may provide appropriate protection against the dissemina-
4 tion of such information, including exemption from sub-
5 chapter II of chapter 5 of title 5, United States Code, until
6 the earlier of the date the Secretary enters into such an
7 agreement with respect to such technology or the last day
8 of the 2-year period beginning on the date of such deter-
9 mination. Any technology covered by this section which be-
10 comes the subject of a cooperative research and develop-
11 ment agreement shall be accorded the protection provided
12 under section 3710a(c)(7)(B) of title 15, United States
13 Code, as if such technology had been developed under a
14 cooperative research and development agreement.".

15 **SEC. 8. NATIONAL INVENTORY OF DAMS.**

16 Section 13 of Public Law 92–367 (33 U.S.C. 467l),
17 is amended by striking the second sentence in its entirety
18 and replacing it with the following: "There is authorized
19 to be appropriated up to $500,000 each fiscal year for the
20 purpose of carrying out this section.".

21 **SEC. 9. HYDROELECTRIC POWER PROJECT UPRATING.**

22 (a) In accomplishing the maintenance, rehabilitation,
23 and modernization of hydroelectric power generating fa-
24 cilities at water resources projects under the jurisdiction
25 of the Department of the Army, the Secretary is author-

1 ized to increase the efficiency of energy production and
2 the capacity of these facilities if, after consulting with
3 other appropriate Federal and State agencies, the Sec-
4 retary determines that such uprating—
5 (1) is economically justified and financially fea-
6 sible;
7 (2) will not result in significant adverse affects
8 on the other purposes for which the project is au-
9 thorized;
10 (3) will not result in significant adverse envi-
11 ronmental impacts; and
12 (4) will not involve major structural or oper-
13 ation changes in the project.
14 (b) This section does not affect the authority of the
15 Secretary and the Administrator of the Bonneville Power
16 Administration under section 2406 of the Energy Policy
17 Act of 1992 (16 U.S.C. 839d–1).

18 **SEC. 10. ENGINEERING AND ENVIRONMENTAL INNOVA-**
19 **TIONS OF NATIONAL SIGNIFICANCE.**

20 To encourage innovative and environmentally sound
21 engineering solutions and innovative environmental solu-
22 tions to problems of national significance, the Secretary
23 may undertake surveys, plans, and studies and prepare re-
24 ports which may lead to work under existing civil works
25 authorities or to recommendations for authorizations.

1 There is authorized to be appropriated up to $3,000,000
2 each fiscal year for the purpose of carrying out this sec-
3 tion. The Secretary may also accept and expend additional
4 funds from other Federal agencies, States, or non-Federal
5 entities for purposes of carrying out this section.

6 **SEC. 11. FEDERAL LUMP-SUM PAYMENTS FOR FEDERAL OP-**
7 **ERATION AND MAINTENANCE COSTS.**

8 (a) At a water resources project where the non-Fed-
9 eral interest is responsible for performing the operation,
10 maintenance, replacement, and rehabilitation of the
11 project and the Federal Government is responsible for
12 paying a portion of the operation, maintenance, replace-
13 ment, and rehabilitation costs, the Secretary may provide,
14 under terms and conditions acceptable to the Secretary,
15 a payment of the estimated total Federal share of such
16 costs to the non-Federal interest after completion of con-
17 struction of the project or a separable element thereof.

18 (b) The amount to be paid shall be equal to the
19 present value of the Federal payments over the life of the
20 project, as estimated by the Government, and shall be
21 computed using an interest rate determined by the Sec-
22 retary of the Treasury taking into consideration current
23 market yields on outstanding marketable obligations of the
24 United States with maturities comparable to the remain-
25 ing life of the project.

1 (c) The Secretary may make a payment under this
2 section only if the non-Federal interest has entered into
3 a binding agreement with the Secretary to perform the
4 operation, maintenance, replacement, and rehabilitation of
5 the project or separable element. The agreement must be
6 in accordance with the requirements of section 221 of the
7 Flood Control Act of 1970 (84 Stat. 1818), and must con-
8 tain provisions specifying the terms and conditions under
9 which a payment may be made under this section and the
10 rights of, and remedies available to, the Federal Govern-
11 ment to recover all or a portion of a payment made under
12 this section in the event the non-Federal interest suspends
13 or terminates its performance of operation, maintenance,
14 replacement, and rehabilitation of the project or separable
15 element, or fails to perform such activities in a manner
16 satisfactory to the Secretary.
17 (d) Except as provided in subsection (c), a payment
18 provided to the non-Federal interest under this section
19 shall relieve the Government of any future obligations for
20 paying any of the operation, maintenance, replacement,
21 and rehabilitation costs for the project or separable ele-
22 ment.

1 **SEC. 12. COST-SHARING FOR REMOVAL OF EXISTING**
2 **PROJECT FEATURES.**

3 After the date of enactment of this Act, any proposal
4 submitted to the Congress by the Secretary for modifica-
5 tion of an existing authorized water resources development
6 project by removal of one or more of the project features
7 which would significantly and adversely impact the author-
8 ized project purposes or outputs shall include the rec-
9 ommendation that the non-Federal sponsor shall bear 50
10 percent of the cost of any such modification, including the
11 costs of acquiring any additional interests in lands which
12 become necessary for accomplishing the modification.

13 **SEC. 13. TECHNICAL ADVISORY COMMITTEE.**

14 The Technical Advisory Committee established pur-
15 suant to section 310(a) of Public Law 101–640 shall no
16 longer exist after the date of enactment of this Act.

17 **SEC. 14. TECHNICAL CORRECTIONS.**

18 (a) Section 203(b) of the Water Resources Develop-
19 ment Act of 1992 (106 Stat. 4826) is amended by striking
20 out "(8662)" and inserting in lieu thereof "(8862)".

21 (b) Section 225(c) of the Water Resources Develop-
22 ment Act of 1992 (106 Stat. 4838) is amended by striking
23 out "(8662)" in the second sentence and inserting in lieu
24 thereof "(8862)".

1 **SEC. 15. PROJECT DEAUTHORIZATIONS.**

2 (a) Section 1001 of the Water Resources Develop-
3 ment Act of 1986 as amended (33 U.S.C. 579a) is further
4 amended by—

5 (1) striking "10" where it appears in the first
6 sentence of paragraph (2) of subsection (b) and re-
7 placing it with "5";

8 (2) striking the word "Before" at the beginning
9 of the second sentence of paragraph (2) of sub-
10 section (b) and replacing it with the words "Upon
11 official"; and

12 (3) inserting the words "planning, designing,
13 or" immediately before the word "construction" in
14 the last sentence of paragraph (2) of subsection (b).

15 (b) Section 52(a) of the Water Resources Develop-
16 ment Act of 1988 (102 Stat. 4044) is repealed.

17 **SEC. 16. CONTRACT GOALS FOR SMALL DISADVANTAGED**
18 **BUSINESS CONCERNS AND HISTORICALLY**
19 **BLACK COLLEGES AND UNIVERSITIES OR MI-**
20 **NORITY INSTITUTIONS.**

21 (a) GOAL.—Except as provided in subsection (c), the
22 Secretary shall establish a goal of 5 percent of the total
23 amount of civil works funds obligated for contracts and
24 subcontracts entered into by the Department of the Army
25 for fiscal years 1994 through 2000 for award to small
26 business concerns owned and controlled by socially and

1 economically disadvantaged individuals (as such term is
2 used in section 8(d) of the Small Business Act (15 U.S.C.
3 637(d)) and regulations under that section), the majority
4 of the earnings of which directly accrue to such individ-
5 uals, and to historically black colleges and universities or
6 minority institutions (as defined in paragraphs (3), (4),
7 and (5) of section 312(b) of the Higher Education Act
8 of 1965 (20 U.S.C. 1058)).

9 (b) COMPETITIVE PROCEDURE.—To the extent prac-
10 ticable and when necessary to facilitate achievement of the
11 5 percent goal in subsection (a)—

12 (1) the Secretary is authorized to enter into
13 contracts using less than full and open competitive
14 procedures, but shall pay a price not exceeding the
15 fair market cost by more than 10 percent in pay-
16 ment per contract to contractors or subcontractors
17 of contracts described in subsection (a); and

18 (2) the Secretary shall maximize the number of
19 small disadvantaged business concerns, historically
20 black colleges and universities, and minority institu-
21 tions participating in the program.

22 (c) EXCEPTION.—For purposes of subsection (b), the
23 same exception that is recognized in section 712(a) of
24 Public Law 100–656 for set asides pursuant to section
25 1207 of Public Law 99–661 shall apply.

1 (d) NONAPPLICABILITY.—Subsection (a) does not
2 apply if—
3 (1) the Secretary determines that the existence
4 of a national emergency requires otherwise; and
5 (2) the Secretary notifies the Congress of such
6 determination and the reasons therefor.

7 **SEC. 17. COST-SHARING FOR DAM SAFETY WORK.**

8 Section 1203(a)(1) of the Water Resources Develop-
9 ment Act of 1986 is amended by inserting the following
10 language immediately after the first sentence: "Where cost
11 sharing was not based on a cost allocation, 15 percent of
12 the modification costs shall be assigned among project
13 purposes in the same manner as costs were originally as-
14 signed, as determined by the Secretary.".

15 **SEC. 18. REVOCATION OF SECTION 211, RIVER AND HARBOR**
16 **ACT OF 1950.**

17 Section 211 of the River and Harbor Act of 1950,
18 Public Law 81–516, is hereby repealed.

19 **SEC. 19. RESEARCH AND DEVELOPMENT IN SUPPORT OF**
20 **ARMY CIVIL WORKS PROGRAM.**

21 (a) In carrying out research and development in sup-
22 port of the Civil Works program of the Department of the
23 Army, the Secretary may utilize contracts, cooperative re-
24 search and development agreements, cooperative agree-
25 ments, and grants with non-Federal entities, including

1 State and local governments, colleges and universities,
2 consortia, professional and technical societies, public and
3 private scientific and technical foundations, research insti-
4 tutions, educational organizations, and non-profit organi-
5 zations.

6 (b) With respect to contracts for research and devel-
7 opment, the Secretary may include requirements that have
8 potential commercial application and may also use such
9 potential application as an evaluation factor where appro-
10 priate.

11 **SEC. 20. INTERAGENCY AND INTERNATIONAL SUPPORT**
12 **AUTHORITY.**

13 The Secretary may engage in activities in support of
14 other Federal agencies or international organizations on
15 problems of national significance to the United States.
16 The Secretary may engage in activities in support of inter-
17 national organizations only after consulting with the De-
18 partment of State. The Secretary may apply the technical
19 and managerial expertise of the Army Corps of Engineers
20 to domestic and international problems related to water
21 resources, infrastructure development and environmental
22 protection. There is authorized to be appropriated up to
23 $3,000,000 each fiscal year for the purpose of carrying
24 out this section. The Secretary may also accept and ex-
25 pend additional funds from other Federal agencies or

1 international organizations for purposes of carrying out
2 this section.

3 **SEC. 21. EXPANSION OF SECTION 1135 PROGRAM.**

4 Section 1135 of the Water Resources Development
5 Act of 1986 (33 U.S.C. 2309a) is amended by—

6 (1) striking the period at the end of subsection
7 (a) and inserting the following: "and to determine if
8 the operation of such projects has contributed to the
9 degradation of the quality of the environment.";

10 (2) striking the last two sentences of subsection
11 (b); and

12 (3) redesignating subsections (c), (d), and (e)
13 as (e), (f), and (g) and inserting the following new
14 subsections:

15 "(c) If the Secretary determines that operation of a
16 water resources project has contributed to the degradation
17 of the quality of the environment, the Secretary may also
18 undertake measures for restoration of environmental qual-
19 ity, provided such measures are feasible and consistent
20 with the authorized project purposes.

21 "(d) The non-Federal share of the cost of any modi-
22 fications or measures carried out or undertaken pursuant
23 to subsections (b) or (c) of this section shall be 25 percent.
24 No more than $5,000,000 in Federal funds may be ex-

1 pended on any single modification or measure carried out
2 or undertaken pursuant to this section.".

3 **SEC. 22. REGULATORY PROGRAM FUND.**

4 (a) There is hereby established in the Treasury of the
5 United States the "Army Civil Works Regulatory Program
6 Fund" (hereafter referred to as the "Regulatory Program
7 Fund") into which shall be deposited fees collected by the
8 Secretary of the Army pursuant to paragraph (b) of this
9 section. Amounts deposited into the Regulatory Program
10 Fund are authorized to be appropriated to the Secretary
11 of the Army to cover a portion of the expenses incurred
12 by the Department of the Army in administering laws per-
13 taining to the regulation of the navigable waters of the
14 United States as well as wetlands.

15 (b) REGULATORY FEES.—(1) To the extent provided
16 for in appropriation Acts, the Secretary of the Army shall
17 establish and collect fees for the evaluation of commercial
18 permit applications; for the recovery of costs associated
19 with the preparation of Environmental Impact Statements
20 required by the National Environmental Policy Act of
21 1969; and for the recovery of costs associated with wet-
22 lands delineations for major developments affecting wet-
23 lands. Amounts collected pursuant to this paragraph shall
24 be deposited into the Regulatory Program Fund estab-
25 lished by paragraph (a) of this section.

1 (2) The fees described in paragraph (1) of this sub-
2 section shall be established by the Secretary of the Army
3 at rates that will allow for the recovery of receipts at
4 amounts as provided for in appropriation Acts.

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Chairman

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Santo ESPOSITO, Chief Counsel

U.S. House of Representatives

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

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Jack SCHENDOWICH, Minority Staff Director

June 17, 1994

MEMORANDUM

TO: Members of the Subcommittee on Water Resources and Environment

FROM: The Honorable Douglas Applegate, Chairman

RE: Hearings on Water Resources Development Act of 1994

On June 22, 1994, at 9:30 a.m. in Room 2167 Rayburn Building, the Subcommittee on Water Resources and Environment will begin hearings on the Water Resources Development Act of 1994. The Subcommittee will receive testimony from Dr. John Zirschky, Acting Assistant Secretary of the Army for Civil Works, and Jimmy F. Bates, Deputy Director of Civil Works for the Army Corps of Engineers. Following the hearing the Subcommittee intends to hold additional hearings to receive testimony from Members of Congress and outside witnesses.

Traditionally, a water resources development bill is considered by the Committee every two years. This commitment was demonstrated by the enactment of the Water Resources Development Acts of 1988, 1990 and 1992, which followed the landmark Water Resources Development Act of 1986. These bills contain authorizations of water resources projects for construction by the U. S. Army Corps of Engineers, modifications to existing projects, study authorizations, and statutory changes to promote national water policy.

The testimony will describe the legislative proposals of the Administration as well as the fifteen potential water resource projects which are expected to have final reports of the Chief of Engineers before July 31. Project authorizations by Congress are usually in accordance with the final report of the Chief of Engineers. A list of the fifteen projects that will be described at the hearing is attached.

CORPS OF ENGINEERS PROCEDURES FOR PROJECT APPROVALS AND COST-SHARING FORMULAS

A. Studies and Projects

The Corps of Engineers constructs projects for the purposes of navigation, flood control, beach erosion control and shoreline protection, hydroelectric power, recreation, water supply, environmental protection, and fish and wildlife mitigation and enhancement.

The first step in a Corps water resources development project is a study of the feasibility of the project. If the Corps has done a study in the area before, a new study can be authorized by a resolution of either our Committee or the Senate Committee on Environment and Public Works. If the area has not been previously studied by the Corps, then an Act of Congress is necessary to authorize the study. Currently, the majority of studies are authorized by Committee resolution.

The next step is the funding of the study by the Appropriations Committee in the Energy and Water Development Appropriations bill. The Corps first performs a reconnaissance study at federal expense, usually taking about one year to complete. If the reconnaissance study indicates that a federal project is viable then the Corps prepares a feasibility report, the cost of which is shared 50 percent by the Federal Government and 50 percent by the non-federal interest.

After a full study is completed, the results and recommendations, including the project's cost/benefit ratio, are submitted to the Congress. The sequence of a study within the Executive Branch is as follows: First, a report is completed by the District Engineer and reviewed by the appropriate Corps of Engineers Division Office. The District Engineer will have coordinated the report with federal, state and local governments, as well as will have conducted public meetings on the report and incorporated comments into the report. It is then submitted for Washington level review by headquarters staff and the Chief of Engineers. The Chief of Engineers prepares a proposed report and submits it to affected states and interested federal agencies for comment. After these comments are received, the Chief of Engineers prepares a final report and submits it to the Secretary of the Army and the Office of Management and Budget. The Secretary and OMB review the report and may suggest modifications. When it is cleared by OMB and the Secretary, the study is transmitted to the Congress with the Administration's recommendations for action.

Assuming the study of the proposed project is favorable, the next step is authorization. The final step after authorization is funding of project construction by the Appropriations Committee in the Energy and Water Development Appropriations bill.

B. **Small Project Authorities**

Under Section 201 of the 1965 Flood Control Act, as amended, if the estimated federal cost of a Corps of Engineers water resources project is less than $15 million, the project can be approved by resolutions of both our Committee and the Senate Committee on Environment and Public Works. This procedure is only used for non-controversial projects and where the project is recommended by the Secretary of the Army.

The Corps of Engineers also has certain small project authorities to construct projects without specific authorization by the Congress. Beach erosion control projects with a federal cost of not more than $2 million; navigation projects with a federal cost of not more than $4 million; flood control projects with a federal cost of not more than $5 million; streambank and shoreline protection for public facilities projects with a federal cost of not more than $500,000; projects to mitigate shoreline damages from federal navigation projects with a federal cost of not more than $2 million; projects of snagging and clearing for flood control with a federal cost of not more than $500,000; and, projects modifying the structure and operation of existing projects for improvement to the environment with a cost of not more than $5 million can be constructed without specific Congressional authorization.

C. **Cost-sharing**

The Water Resources Development Act of 1986, P.L. 99-662, contains the cost sharing provisions which are generally applicable to Corps of Engineers water resources projects. For harbor development, non-federal interests are required to pay during construction 10 percent of project costs of depths 20 feet or less; 25 percent of project costs for depths greater than 20 feet but not more than 45 feet; and 50 percent of project costs for depths greater than 45 feet. In addition, the non-federal interest must pay 10 percent of the cost of general navigation features over a period not to exceed 30 years with interest; and, the non-federal interest must provide all lands, easements, rights-of-way, relocations and dredged material disposal areas necessary for project construction and maintenance. The cost of the lands, easements, rights-of-way, relocations and dredged material disposal areas is credited against the additional 10 percent repaid following construction. Operation and maintenance costs are 100 percent federal for work associated with depths not

greater than 45 feet and 50 percent federal for additional costs of maintaining depths greater than 45 feet.

The federal share of operation and maintenance is appropriated from the Harbor Maintenance Trust Fund. That fund was created in 1986 and consists of receipts from a 0.125 percent tax imposed on the value of cargo loaded or unloaded at U. S. ports, as well as tolls from the U. S. portion of the Saint Lawrence Seaway.

Inland waterways transportation projects are funded 50 percent from the Inland Waterways Trust Fund, with the balance from general revenues. This trust fund consists of revenues generated from a 19 cents per gallon tax on inland waterways fuel. The tax will increase to 20 cents per gallon in 1995.

For flood control projects a minimum non-federal share of 25 percent and a maximum of 50 percent is required. The non-federal interest must pay at least 5 percent of the costs of each project assigned to flood control during construction and provide lands, easements, rights-of-way, relocations and dredged material disposal areas necessary for flood control. Additional cash is required to be paid during construction if the local non-cash contribution of lands, easements, rights-of-way, relocations and dredged material disposal areas, and the mandatory 5 percent cash contribution does not equal 25 percent, but the non-federal contribution is always limited to 50 percent of project costs assigned to flood control.

For municipal and industrial water supply, the law continued the existing 100 percent non-federal share of project costs. For agricultural water supply, the non-federal share is 35 percent. The non-federal share is 50 percent of the separable costs allocable to recreation and for recreational navigation 50 percent of joint and separable costs. Hurricane and storm damage reduction projects are cost-shared at 35 percent non-federal and aquatic plant control operations have a 50 percent non-federal share.

The cost sharing requirements apply, with respect to harbors, to any project or separable element on which a contract for physical construction had not been awarded before November 17, 1986. For flood control and other purposes, the law applies the cost sharing provisions to any project or separable element on which physical construction was initiated after April 30, 1986.

The cost-sharing formulas for flood control and agricultural water supply are subject to modification depending on a community's "ability to pay." There are many critics who believe the Corps' interpretation of the "ability to pay" standard is too narrow as it relates to flood control. The

authority for agricultural water supply has never been implemented.

THE ADMINISTRATION'S LEGISLATIVE PROPOSAL FOR 1994

The Administration's proposal for the Water Resources Development Act of 1994 was introduced by Chairman Mineta and Chairman Applegate by request. The bill H. R. 4460, does not include any new project authorizations or project modifications. However, the fifteen feasibility reports for new projects that will be discussed in the hearing as well as the eleven project modifications which are currently under review, will be eligible to be included in H.R. 4460 as the Administration finishes its formal analysis of the projects. Total cost of the fifteen new projects is approximately $700 million and the modifications will increase total costs by $184 million.

H. R. 4460 includes 18 general provisions; 9 that were previously offered by the Administration in 1992 but failed to receive final passage. Among the major proposals are the following:

Section 5: Cost Sharing of Environmental Projects

The Water Resources Development Act of 1990 (P.L. 101-640) established environmental protection as one of the missions of the Corps of Engineers. In addition, Section 307(a) of the Coastal Wetlands Planning, Protection and Restoration Act (P.L. 101-641) authorized the Corps to undertake wetlands restoration projects. Section 103(c) of the Water Resources Development Act of 1986 sets forth a cost sharing formula for water resources development projects, but does not include a cost sharing formula for environmental projects. The purpose of this provision is to create a standard cost-sharing formula for environmental projects of 75% federal, 25% non-federal responsibility.

Section 10: Environmental and Engineering Innovation of Significance

This proposal would allow the Corps to undertake surveys, plans, and studies and prepare reports that encourage innovative and environmentally sound engineering solutions to problems of national significance. Currently, there is no clear authority for the Corps to utilize it resources to undertake significant preparatory work to respond to such emerging national challenges. This provision will provide for that authority. $3 million may be appropriated each fiscal year to carry out the purposes. However, the Secretary may accept additional funds from other federal agencies, states, or non-federal entities.

Section 8: National Inventory of Dams

The National Dam Safety Act of 1972 (P.L. 92-367) authorizes the Department of the Army to carry out a national program of inspection of dams and to document an inventory of all dams located in the United States. The inventory was initially completed in 1975 and updated in 1981. Demands after 1981 for current information on dams located throughout the nation amplified the need to continuously maintain a current inventory. In response to that need, Congress authorized appropriations of $500,000 each year for maintaining and updating the inventory for FY 1988-1994. Consequently, the present updating effort will terminate at the end of this fiscal year and the inventory will begin to immediately lapse into a state of obsolescence. This section continues the authorizations for this inventory work.

Section 11: Federal Lump Sum Payments for Federal Operation and Maintenance Costs

This section would enable the Secretary to make one-time, lump-sum payments to non-federal sponsors for the federal share of operation, maintenance, repair, replacement, and rehabilitation costs of civil works projects. The proposal is intended to reduce the Corps of Engineers administrative costs for budgeting, auditing and making payments on an annual basis. The amount to be paid would be equal to the present value of the federal payments over the remaining life of the project and could only be made with concurrence of the local sponsors under the terms of the Local Cooperation Agreement.

INTERAGENCY ACTIVITIES AFFECTING CORPS OF ENGINEERS ACTIVITIES

Port Dredging

Over the past two decades, a number of factors have complicated the operation and maintenance of the nation's harbors particularly in the area of the management of dredged material. These factors include increases in the demands of commerce, rapid evolution of shipping practices including containerization and intermodalism, increasing environmental awareness and mounting environmental problems affecting coastal areas such as contaminated dredge spoils, heavy population shifts in coastal areas, and generally increased non-federal responsibilities in the development and management of navigation projects. The President has stated: " too often, dredging projects are caught up in a regulatory tangle. My Administration will work to develop improve long-term management plans to help avoid delays in important navigation projects without compromising the environment". *(excerpts from President Clinton's letter to the American Association of Port Authorities March 25, 1994)*

As part of this effort, the President established the Interagency Working Group on Dredging Process. The mission of the Working Group is to review the existing dredging and disposal process and identify ways to improve it at both a national and a local level. A final report of recommendations is expected in mid-July of 1994.

Floodplain Management

The White House, in response to the Midwest floods of 1993 established a task force to review the present policies and procedures affecting floodplains. The task force was directed to undertake an intensive review to determine the major causes and consequences of the great flood of 1993; evaluate the performance of existing floodplain management and related watershed management programs; and, make recommendations as to what changes in current policies, programs, and activities most effectively achieve risk reduction, economic efficiency, and environmental enhancement in the floodplain and related watersheds. The Executive Director is Brigadier General Gerald E. Galloway of the Army. A draft report was circulated on May 26, 1994 for comment. Final recommendations are expected sometime in mid-1994.

THE CORPS OF ENGINEERS REORGANIZATION

The Corps of Engineers water resources management programs have changed in significant ways during the past two decades. First, there has been a shift and emphasis from new projects to the operation and maintenance of existing projects. During this period, expenditures for new construction in real terms have fallen and operation and maintenance of existing projects is claiming a larger share of the total agency budget. The Corps' work force and structure no longer meet the organization's needs. Two plans of reorganization, one prepared in 1991, and another 1992 failed to receive Congressional approval.

Instead of reorganization, Acting Assistant Secretary Zirschky has started a process of "restructuring" the Corps to be in line with the National Performance Review goals of streamlining, empowerment, and improved customer service. The plan is to improve the Corps by accomplishing the assigned force structure reduction of 3,400 civil work positions over the next four to five years.

LIST OF POTENTIAL PROJECTS FOR INCLUSION IN WRDA 94

AUTHORIZATIONS

DIST	PROJECT	FINAL REPORT	DE REPORT	HQ REPS MTG *	CHIEFS REPORT
MRO	WOOD RIV.at GRAND IS.,NE	05/10/93	06/01/93		05/03/94
MRO	BIG SIOUX RV,SIOUX FALLS,SD	11/29/93	12/22/93		05/30/94
NAO	AFW BRIDGE AT OT. BRIDGE, VA	02/14/94	02/28/94		05/15/94
NCC	IL. SHORELINE EROSION,INT. III, IL	08/03/93	08/16/93	JAN9	04/14/94
NPP	COOS BAY, OR	03/01/94	03/18/94		05/30/94
ORH	MARMET LOCK REPLACEMENT, WV	12/10/93	12/13/93		05/07/94
ORL	DECK CREEK, OH	04/12/94	04/18/94		05/30/94
ORL	POND CREEK, KY	03/21/94	03/21/94		05/30/94
ORN	WOLF CREEK, KY (HYDROPOWER)	12/30/93	01/14/94		07/01/94
SAW	WILMINGTON HBR.WIDENING,NC	03/28/94	03/31/94		05/30/94
SAJ	PALM VALLEY BRDG.REPL.,FL	02/28/94	03/31/94		05/30/94
SAJ	RIO GRANDE DE ARECIBO, PR	07/30/93	09/30/93		04/05/94
SPL	SANTA BARBARA HBR., CA	08/11/93	09/17/93		04/26/94
SPN	MARIN CO.SHRLINE,SAN RAFAEL,CA	06/25/93	09/28/93	APR(93)	04/28/94
SPN	SAN LORENZO RIVER, CA	03/15/94	03/18/94		05/30/94

* Will be scheduled if required

ASA(CW) - ASSISTANT SECRETARY OF THE ARMY (CIVIL WORKS)
WLRC - WASHINGTON LEVEL REVIEW CENTER
OMB - OFFICE OF MANAGEMENT AND BUDGET

THE WATER RESOURCES DEVELOPMENT ACT OF 1994 AND ISSUES RELATED TO REAUTHORIZATION OF THE CIVIL WORKS PROGRAM OF THE U.S. ARMY CORPS OF ENGINEERS

WEDNESDAY, JUNE 22, 1994

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT,
COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION,
Washington, DC.

The subcommittee met, pursuant to call, at 9:35 a.m., in room 2167, Rayburn House Office Building, Hon. Douglas Applegate (chairman of the subcommittee) presiding.

Mr. APPLEGATE. I think we can convene the subcommittee this morning.

The committee begins its hearings on the Water Resources Development Act by receiving testimony from the Department of the Army and the U.S. Army Corps of Engineers concerning proposed project authorizations, and for general policy recommendations for the Civil Works programs of the Corps of Engineers.

The subcommittee will hold another hearing for Members after the July district work period. We also will hold another day or two of hearings to receive testimony from other interested public officials and private interests.

Traditionally, a water resources development bill is considered by the committee every two years. This commitment was demonstrated by enactment of the Water Resources Development Acts of 1988, 1990 and 1992, which followed the Landmark Water Resources Development Act of 1986.

These bills contain authorizations of water resources projects for construction by the U.S. Army Corps of Engineers, modifications to existing projects, study authorizations, and recommended statutory changes to carry out national water policy.

I think few people fully appreciate the vital services that the Army Corps of Engineers provides to the States and to the local communities. That isn't to say they are ready for sainthood, but they do do an outstanding job for which I think most people are appreciative.

The history of our country has followed the course of waterways and even today our economic and commercial security is very dependent on the continuing vitality of our ports and rivers.

Although this country's principal arteries of travel now are railroads and interstate highways, we cannot underestimate the ex-

treme importance of our ports and waterways and the Corps' critical role in keeping them operating.

The Corps of Engineers' expertise is also important in fighting the floods that ravage our country. Our committee continues to evaluate the floodplain management policies for the upper Mississippi and lower Missouri Rivers.

We look forward to the Corps' guidance on this important matter of floodplain management. With the Corps' traditional projects having already been built, the Corps has improved its environmental reputation by using its engineering expertise to help the environment.

Each of the past water resources bills since 1986 expanded the Corps' activities in the area of environmental restoration and remediation. As the Corps moves forward to prepare to enter into the 21st century, we look forward to hearing from you your plans. Before we proceed, I would like to place the statements of Mr. Tucker of California and Mr. Rahall of West Virginia into the record.

[The statements of Mr. Tucker and Mr. Rahall follow:]

Opening Statement
June 22, 1994
Congressman Walter R. Tucker, III
Water Resources Subcommittee

MR. CHAIRMAN, THE ISSUE HERE TODAY IS ONE OF NATIONAL IMPORTANCE, THE WATER RESOURCES DEVELOPMENT ACT OF 1994. THE REASON THIS ISSUE IS OF NATIONAL IMPORTANCE IS THE RECOVERY AND WELL-BEING OF THIS NATION'S ECONOMY HINGES UPON THE NATION'S PORTS AND WATERWAYS.

THE LARGEST PORT COMPLEX IN THIS NATION, THE PORTS OF LOS ANGELES AND LONG BEACH, IS REPRESENTED ON THIS COMMITTEE BY MYSELF AND

CONGRESSMAN HORN. THE REASON THIS PORT COMPLEX IS THE LARGEST IN THE U.S.A. IS DUE TO THE FACT THAT PRIOR LEGISLATION, MUCH LIKE THE BILL H.R. 4460 THE ONE WE ARE WORKING ON TODAY, WAS CONSIDERED AND APPROVED BY THIS SUBCOMMITTEE. THIS SUBCOMMITTEE MUST BE ABLE TO SEE THE "BIG PICTURE" WHEN IT COMES TO ECONOMIC RECOVERY, I THINK WE ARE MOVING IN THE RIGHT DIRECTION WITH THIS BILL, AND I'D LIKE TO THANK THE CHAIRMAN FOR CONDUCTING THIS IMPORTANT HEARING.

OPENING STATEMENT OF
REPRESENTATIVE NICK J. RAHALL, II
WATER RESOURCES DEVELOPMENT ACT
REAUTHORIZATION HEARING
JUNE 22, 1994

Mr. Chairman, first, I want to thank you for holding this hearing. The Water Resources Subcommittee certainly has its work cut out for it over the next several months. It is important that the Water Resources Development reauthorization is not over shadowed by the equally important Clean Water Act reauthorization and Superfund reform. I appreciate that you have begun the WRDA reauthorization process by having the Corps of Engineers here to testify.

(pronounced Zir-ski)

Thank you also, Secretary Zirschky and Deputy Director Bates for being here today. As you know, the Congress has continually shown its commitment to the U.S. Army Corps of Engineers' civil works program by reauthorizing the Water

Resources Development Act each Congress since 1986. This program continues to encompass some of the more traditional Corps projects such as flood control and navigation. But the Corps' mission is being expanded and the expertise which it embodies is also now being focused on environmental protection.

I am pleased with the progress of the environmental assistance pilot project that is being carried out by the Corps in southern West Virginia. As you know, under this program, the Corps of Engineers provides design and construction assistance for publicly owned projects like wastewater treatment and water supply facilities. This pilot program is in the national interest. It presents us with a unique opportunity to revitalize the Corps of Engineers by expanding its mission into a bold new frontier of public and community service in an area in such dire need of its expertise. I look forward to your comments on the future of the Corps' mission in this area.

85-091 48

Furthermore, other issues of interest to me are the "ability to pay" provisions for civil works flood control projects, recreation user fees and reorganization of the Corps of Engineers. As you know, under the 1986 Water Resources Development Act all new Civil works flood control projects are cost-shared with non-Federal sponsors. The Act specifies the non-Federal share but also provides that the share can be lowered, based on a communities "ability to pay." I remain concerned that the regulations which implemented this provision do not carry out its intent. There are many communities that continue to be in desperate need of flood control projects, however they are not able to fulfill the cost share requirements and they fall outside the ability to pay considerations. I look forward to hearing your thoughts on this matter.

In addition, I continue to have concerns about the imposition of user fees at Corps recreation facilities. Many of the people who use the facilities in my district are on limited

incomes and the fees will cause a hardship.

Finally, the Huntington district office of the Corps of Engineers is an essential part of the southern West Virginia community. The reorganization plan that was put forth by the previous administration would have severely impacted this community by effectively gutting many aspects of the district office's work. Fortunately, Congress was successful in stopping this plan. However, I remain concerned that the goals of the reorganization plan will be carried out through the force reductions required by the National Performance Review. I seek your assurances that these reductions will be implemented fairly over all of the Corps districts and that the functions of any one district office will not be depleted by these force reductions.

Again, thank you Mr. Chairman for holding these hearings. Dr. Zirschky and Mr. Bates, I look forward to your statements.

Mr. APPLEGATE. At this time—we will recognize the sitting Ranking Member at the present time Mr. Petri.

Mr. PETRI. Thank you, Mr. Chairman.

I would like to join in welcoming Dr. Zirschky on his maiden appearance before our subcommittee. I suspect it may be the first, but won't be the last. I look forward to your testimony.

Mr. APPLEGATE. We will, out of respect for the Ranking Member who did arrive late, recognize the Ranking Member, Mr. Boehlert.

Mr. BOEHLERT. No need to do that, Mr. Chairman. Mr. Petri handled it very well and I am delinquent, so let's go on with the business.

Mr. APPLEGATE. We are fortunate also to have the Ranking Member of the full committee, Mr. Bud Shuster.

Mr. Shuster.

Mr. SHUSTER. Thank you, Mr. Chairman.

I want to note how important this program is, how vital it is to our country, and I look forward to the testimony of the witnesses.

Mr. APPLEGATE. Does anybody else have any other statements?

Well, you got off pretty good, and so Dr. Zirschky, we are very happy to have you with us today and are looking forward to hearing your statement.

TESTIMONY OF DR. JOHN H. ZIRSHKY, ACTING ASSISTANT SECRETARY OF THE ARMY FOR CIVIL WORKS

Dr. ZIRSCHKY. Thank you, Mr. Chairman.

I would like to ask that my full statement be included in the record.

Mr. APPLEGATE. Without objection.

Dr. ZIRSCHKY. Thank you for the opportunity to appear before you today. With me is Jimmy Bates, Deputy Director of Civil Works.

Thank you for introducing our legislation and we look forward to working with you towards passage.

I will briefly comment on why we need a Water Resources Development Act of 1994. We need to uphold our commitment to our local sponsors. We anticipate that we will have 15 feasibility studies and 10 modifications that can be authorized in this bill. We look forward to working with the committee on authorizing projects of interest to you.

We have 18 provisions to enhance our efficiency. One such provision is to set cost sharing for environmental projects. We are proposing 75 percent Federal, 25 percent local.

I would like to talk about a number of other issues that may be of interest to the subcommittee.

You mentioned the Midwest floods. As of today, we have initiated repairs on only 78 percent of the levees in the Midwest. We anticipate that we will have repairs started on all of them by August 5, I believe.

On approximately July 1, we expect that the floodplain or Flood Task Force will submit its report to the administration after which time we will sit down and have comments on which portions may be applicable or could be authorized perhaps in the Water Resources Development Act.

As to the environment, we are currently undertaking review of our environmental policies to see how we can better use them. Colonel Rock Salt from the Jacksonville District is putting together a task force of Corps employees to evaluate how we can better use our authorities.

We will be reviewing our recreation policies, so perhaps we can be more responsive to Members, to the public, while also recognizing our budget limits.

In the past, there has been, I guess, a prohibition against members of the Corps speaking directly to Members, working with Members. I must say for the record that that policy no longer exists, that we hope that our district engineers, division engineers, Corps headquarters and my office, will work with you to help serve your constituents.

We both serve the same people and only by working together can we do a good job of serving them. So our district engineers are no longer limited in their ability to talk to you.

I hope you will make use of the information and services they can provide.

Hopefully over the next few years, Mr. Chairman, we will earn the sainthood that we don't quite have yet, but we hope to get to that. We will need to work better with Congress and in the past previous administrations have not worked as well, particularly on Corps issues, with Congress.

If there is something that you don't feel you are getting from us or members of your committee as far as service, let us know.

Last, reorganization. We have started a new process to try and streamline the Corps of Engineers. We are committed to working with the Members. If you have any questions, please let us know and we will be glad to provide you a briefing at any time.

We hope to involve the local sponsors and Corps employees to come up with a process that makes sense technically and politically.

With that, I will conclude my statement, Mr. Chairman.

Mr. APPLEGATE. Thank you very much, Dr. Zirschky. I think to expedite time, I believe that we will just go ahead and ask you our questions and then you will be allowed to depart from here and Mr. Bates can then take over and talk about the civil works aspect of it.

Let me just ask, in your statement, you highlighted that one of the reasons to have a biannual authorization process is to authorize projects to demonstrate good faith with the non–Federal project sponsors who have been doing their part by sharing feasibility study costs and committing to share construction costs.

However, over the past two Congresses, those on the Appropriations Committee have found it nearly impossible to fund any new construction projects. They foresee a similar situation perhaps for fiscal year 1996.

How is this lack of significant appropriations for new projects affecting the Corps and the projects that the Congress approved in 1992 and how will it likely affect the projects we approve for this year?

Dr. ZIRSCHKY. The budget limits, Mr. Chairman, have made it very tough to fund new projects. We had a policy of no new starts

for this fiscal year. I am hopeful that we can suspend that policy next year and start proposing some of the new starts.

One of the reasons for this difficulty is the Corps' inability to produce an acceptable plan for reorganization. We need to downsize and to recognize that the budget climate doesn't support huge infrastructure costs any more, the personnel costs.

In the next year, we will eliminate roughly 650 positions. This year we eliminated 750 positions. That helps us meet our budget and our personnel ceilings and provide more resources for projects.

Mr. APPLEGATE. The Corps has many proposals for environmental projects and since traditional cost-benefit analysis seems inadequate for these projects, what determines which projects are going to be recommended for approval?

Dr. ZIRSCHKY. One of the things our task force is looking at is how to better use those authorities, because you are right; the economic analysis that we do doesn't accurately reflect environmental benefits. We have a research program underway to help us better quantify environmental benefits, but for the coming year, probably the most effective is for us to work with you, Mr. Chairman, on projects that are of interest to you for which we can find a local sponsor to help cost share the projects, but right now it is an inexact science.

Mr. APPLEGATE. That is refreshing. It is nice to have somebody that is willing to work with the committee. We certainly appreciate that.

Many members of this committee, as you probably know, are not happy about the Corps' present rulemaking concerning ability to pay. In your written statement, you note that the recommendation to continue with the existing rule is being considered.

Will the Corps finish its review soon so we may benefit from your input as we work on this year's bill?

Dr. ZIRSCHKY. Yes, sir. We have a proposed rule that will be posted in the Federal Register in the next few weeks. The rule would basically waive a proposed rule, 5 percent of the local sponsor share for projects, which the local shares are 35 percent and the capital costs are more than $600 per person.

We hope that will be published in the next two weeks and we hope to have a 60-day comment period on that rule.

Mr. APPLEGATE. One of the criticisms of the Corps by local sponsors is the very high overhead that must be included in these project costs.

Do you see a real opportunity to lower these costs through the restructuring that you have started? Let me ask you this: Without prejudging the restructuring process, what benefit do you see coming out of it other than reducing the Corps by X number of people?

Dr. ZIRSCHKY. On June 8 and 9, we invited some of our local sponsors to help us get involved in the process of reorganizing the Corps for that very reason. The problem isn't just too many people. It is cumbersome processes.

Some of the Corps employees who have a fax line and take phone calls occasionally describe it as a Corps project of review of review of review of review.

Each time you have that review it is a delay and more money for the sponsor. One of the proposals out of this conference that a

working group composed of local sponsors, headquarters and division employees came up with just to have one review, to have the policy review done in Washington, the technical review done in the district as a team effort, so at the beginning of a project, the team would get together and identify what the issues were.

We are hoping to go a step beyond and essentially get a contract saying "These are the issues." Somewhere in the course of project, check to make sure those issues are being addressed.

When it comes to the end of the project, if those issues were addressed, that is it; no new issues, no further delays. The local sponsor would have an understanding at the beginning of what issues need to be addressed and the Corps could make sure that those are done and couldn't add things later on.

So we do have to do more than just lay off people. We have to reinvent essentially how we do our projects because our budget and the local sponsors can't afford to pay for things that don't ultimately end up on the ground.

Mr. APPLEGATE. Thank you very much.

Mr. Boehlert.

Mr. BOEHLERT. Thank you, Mr. Chairman.

Maybe it is my Republicanism showing, and I am proud of that, but I keep hearing that private sources can more cost effectively do dredging work, for example. Do you think that is so? Can private dredgers do the work done by Federal dredgers cheaper and, if so, by how much?

Dr. ZIRSCHKY. The information that I have seen from the Corps depends on which dredge. We have some dredges that operate more efficiently than the private sector. We have some that do not.

Our current appropriations bill for fiscal year 1994, not the one currently being marked up, sets aside 7.5 million cubic yards of dredging for the private sector. That tends to make us less efficient and more costly in general than the private sector.

Mr. BOEHLERT. Do you have the returns in on that 7.5 million cubic yards? You have let those contracts; that has been done, hasn't it, by the private sector?

Dr. ZIRSCHKY. For the first year, yes.

Mr. BOEHLERT. How does what they did compare with what you do in terms of cost? Was it more cost-effective to let the private sector do it or is it more cost-effective to do it in-house?

Dr. ZIRSCHKY. I understand that across the entire program, it is a wash. There are specific dredges that are less cost effective.

Mr. BOEHLERT. If it is a wash, wouldn't we want the private sector to do it rather than the government? We have too much government.

Dr. ZIRSCHKY. In July or August, the Corps will give me a recommendation for what to do on a minimum dredge fleet, how many of them to keep, which ones are to address that issue.

Mr. BOEHLERT. Okay. When do you expect that——

Dr. ZIRSCHKY. Late July or August.

Mr. BOEHLERT. Tell me—I hate to bring it up, but I will, wetlands, the permitting program. What is the current status of the Corps' efforts to provide an administrative appeals process?

Dr. ZIRSCHKY. My understanding is it will depend on our fiscal year 1995 budget process. Currently we don't believe there are the

resources in the House-passed fiscal year 1995 proposal to fund an appeals process.

Mr. BOEHLERT. My problem with the whole thing—and like George Bush, I don't want to see any loss of wetlands but, good gosh, from my point of view as I watch what happens, it takes forever and a day to get a response when the processes should be going forward in an expeditious manner.

My understanding is that 95 percent of all the permits applied for are granted, but it takes forever and a day. So as we are dealing with the Clean Water Act, for example, we are going to expedite that process.

Why the long delay? Am I misinterpreting something or am I correct in assuming that a lot of Corps people just don't want to make decisions on this very sensitive issue?

Dr. ZIRSCHKY. For most general permits, there is not a long delay. Those get issued fairly quickly.

Mr. BOEHLERT. What is fairly quickly?

Dr. ZIRSCHKY. An average of 19 days. The individual permits that I guess get the publicity and the attention, they do take a long time. I can't tell you why some take so long. I don't think it is because the Corps is not willing to make the decisions. It is difficult to get some of the other agencies to commit and be more accountable.

Fortunately, we have a memorandum of agreement with EPA now that I think works fairly well. We need similar agreements with Fish and Wildlife.

I have asked the Corps to give me a list of all permits starting at the top end that are over three years old and find out why we can't get them resolved. Somebody from Chicago came in the other day and they have been through three engineers on one permit and every time there is a new D.E., the process seems to start over.

Mr. BOEHLERT. Don't you find it inexcusable that something is pending over three years? Shouldn't you, within that time frame, over 1,000 days, be able to say yes or no?

Dr. ZIRSCHKY. I can envision there would be cases where it wouldn't be possible to reach a decision in three years, but yes, in general I think we should have a much shorter time frame.

Mr. BOEHLERT. So you say the general permits, the average is 19 days. What is a general permit? Try to distinguish that for me.

Dr. ZIRSCHKY. Those are permits that are almost by rule—they are activities not significant enough to require an individual permit, buying less than an acre of land of a wetland, for example.

Mr. BOEHLERT. Why couldn't you do it in 19 hours or something then?

Dr. ZIRSCHKY. There is time for mail and typing and—

Mr. BOEHLERT. Nineteen days isn't bad, all things considered. Where are the delays coming?

Dr. ZIRSCHKY. Partly in the coordination, I think, with other agencies. We have to coordinate with a lot of different agencies. What we need to do a better job of, I believe, is at the beginning of a permit process, sit down with the agencies and get understanding and a firm commitment that these are the issues that will be addressed, that new issues won't keep cropping up each step of the way.

I think that is what is happening in some of the cases.

Mr. BOEHLERT. You mean the other agencies are bringing up new issues along the way?

Dr. ZIRSCHKY. In some cases; yes, sir.

Mr. BOEHLERT. Do you have any handy reference piece of paper that you could provide us that would indicate the number of outstanding permits and the time that those applications have been outstanding?

Dr. ZIRSCHKY. We can get you that. Yes, sir.

Mr. BOEHLERT. I would appreciate that.

Thank you very much.

Mr. APPLEGATE. Thank you Mr. Boehlert.

Mr. Menendez.

Mr. MENENDEZ. Thank you, Mr. Chairman.

Dr. Zirschky, let me just ask you, I have been very interested in pursuing the question of dredging in the Port of Newark and Elizabeth, New Jersey and overall in the Port of New York Harbor we are talking about 180,000 jobs and $20 billion of economic activity.

Nationwide the Sierra Club has said this is an issue of 10 million jobs and $400 billion of economic activity, and at a time of everyone seeking greater international trade, we lose site of the fact that 95 to 99 percent of our foreign trade and our trade from here and abroad comes through our ports.

In your written testimony, on page 20, you speak about Section 216 of the Act, and you talked about a Federal study that was supposed to take place. As I read it, it says the study began this year.

Wasn't it supposed to have begun prior to this year? This is the Act of 1992, page 20 of your written testimony. If it was supposed to happen and started before, why was it not?

Dr. ZIRSCHKY. In fact, I received some recommendations for dredge material disposal. In fact, I think I probably have them right here.

I would be happy to share the recommendations with you.

Mr. MENENDEZ. Are those recommendations this study or is that separate and apart from this study?

Dr. ZIRSCHKY. I can't give you an accurate answer on that. I am not sure——

Mr. MENENDEZ. Would you please get to us when the study was supposed to be commenced.

Mr. MENENDEZ. My understanding of this is that the 18-month purview was with a view that the Act was to be authorized every two years, therefore, it was to be done within that time period.

We have come to the end and if the study was only begun this year and it was anticipated that it needed 18 months to be completed, I have a feeling we are not going to get the study, and this is an issue of tremendous economic consequence and environmental security as well. So I am disheartened by that.

Let me ask you with reference to the reauthorization of this Act do you not see this as an opportunity to solve some of the problems that confront us with the questions of dredging? Listening to Mr. Boehlert's comments on the question of wetlands and the problems there, I believe that we have very similar problems here.

Isn't one of your problems tandem jurisdiction here and having sequential referrals that end up having different agencies coming

on board later on asking questions and raising objections and therefore extending the time periods?

We have looked at permits in our district from three to eight years, not thirty days as it relates to wetlands. President Clinton had to get involved in the Port of Oakland after some permits were hanging out there 22 years. That is clearly government out of control.

Do you see an opportunity here, and if so, will you be making recommendations to the committee as it relates to improving dredging policy within the context of the reauthorization of this Act?

Dr. ZIRSCHKY. Yes, sir. It is an opportunity to address those concerns. We met with the American Association of Port Authorities as recently as Friday, I believe, to try and come to some resolution of this issue. They are meeting tomorrow and Friday in Chicago to get a consolidated position from the port industry.

One of the issues is how do we pay for disposal facilities? Does it come out of the Harbor Trust Fund or not? Different ports have different views. If we could come to agreement among the port community and the administration, then I believe, yes, sir, we can work with you on legislation.

Mr. MENENDEZ. With regard to the Harbor Trust Fund balance, what is it intended to do? I read here that it was anticipated that it would pay 100 percent of the eligible operation and maintenance costs assigned to commercial navigation of all harbors in the United States.

Then I read that no one has received the authority to draw down on the funds, that you have a $303 million surplus in fiscal year 1994 and that the surplus has drawn the attention of the European Community and under the question of GATT, they are coveting it in terms of the fee that is being paid, seeking for its removal, I assume, or reduction.

Why has that happened? Why has NOAA not been given the opportunity to draw down and what can we seek to do through the trust that we are not doing now, particularly again on the question of dredging?

Dr. ZIRSCHKY. NOAA doesn't have authority to drawdown the funds because they have not been given the statutory authority yet. I believe that is under the jurisdiction of this committee.

The problem with the Trust Fund is while there are opportunities to use it to pay for more dredging disposal, if we are too generous with that, the Trust Fund would soon lose that surplus. That might lead to an increase in the harbor maintenance tax.

Some ports which don't have dredging problems would vociferously oppose those. New York, Boston, and Seattle fear that if we increase the fees, that more of the business will shift north to Canada. So we have to be careful about making sure we don't take actions which would unnecessarily increase the fee for the Harbor Maintenance Trust Fund.

Mr. MENENDEZ. Let me close by saying I don't want to prolong the issue, but we went from my question about having a 300-something million dollars surplus and no authority for NOAA.

I understand that is the purview of the community, so we can't hang that hat on you, but by the same token, I am not talking

about the extreme of raising fees and driving away traffic. I am talking about judiciously using the Trust Fund in a way to solve at least in some cases as we seek remediation of some of these contaminated dredge materials, that we seek some pilot projects that can make a difference so we can prove that it is worthy of pursuing those alternatives, that we are losing opportunity here.

Dredging is not a sexy issue and not one that makes a 30-second sound bite, believe me. I know that having been here a year-and-a-half working on the issue, and I am mired to my ears in it. But it is of enormous consequence to us in terms of jobs. It is of enormous consequence to us in terms of economic present activity, and it is of enormous consequence to us in future activity, not to mention in my home district, one of our military bases that produced all the forward power for Desert Storm and Desert Shield is at risk.

Simply because of these questions, four of their six berths can't be used. So the consequences—I hope that while this may not be the primary issue of the Act, that certainly we look at this opportunity to solve some of these problems, or else I think we will have missed a golden opportunity in the context of solving these dredging problems.

Thank you, Mr. Chairman.

Mr. APPLEGATE. Mr. Hutchinson.

Mr. HUTCHINSON. Thank you, Mr. Chairman.

Dr. Zirschky, on page 17 of your testimony, you refer to the Corps of Engineers plan to begin collecting the recreation user fees. This has, of course, been one of the most controversial efforts of the Corps to date and it is something that we are getting a lot of mail on, a lot of concern from my constituents.

I realize that it is only this year that those fees are being implemented, but could you give me some kind of update as to the response you are getting and to what the central issues are and how the Corps is proceeding on the implementation of those recreation user fees?

Dr. ZIRSCHKY. They should be implemented now on all the sites we are going to do for this year. I have asked the Corps to track them carefully because we have some concern that at some sites, it may cost more to collect money than we actually raise.

We have had numerous discussions about this issue with OMB and have reached a tentative agreement that—one of the problems with the fees is that the money goes to Washington. OMB has agreed to let us explore with the committee some means to keep the money at the facility at which it is raised.

So if your constituents are paying an entrance fee at a specific boat ramp, some portion of that money would stay there to improve facilities at the boat ramp so the money stays in the economy. Some portion will have to come back to fund administration of the recreation program, but that is one option that we are looking at to try and make the recreation user fee program more acceptable.

Mr. HUTCHINSON. What are the obstacles to doing that? I think there is a big concern that those revenues stay on site. Why can't that be done?

Dr. ZIRSCHKY. I believe we need legislative authority to do that.

Mr. HUTCHINSON. You mentioned that in some situations, it might cost more to collect the fee than the cost of implementing it. There has been concern at the lake projects, in southern Missouri and northern Arkansas, that not only is the administration and collection a problem, but that you are going to have a very detrimental impact upon attendance, that there are people who will quit using the boat ramps and quit using the swimming beaches when fees are imposed and that, in fact, revenues may not be anywhere near what was anticipated because of lower utilization.

Can that be tracked month by month and can that be provided to the subcommittee?

Dr. ZIRSCHKY. We can provide the data. We are tracking that. In, fact we are charging fees at some facilities that we might not otherwise do so to keep business from shifting away.

For example, if there is a concessionaire at a local boat ramp and we charge at his but not at another, then that local concessionaire loses business. We are trying to charge fees to facilities that we might not make a profit at just to protect local businessmen.

In Montana over the weekend of the 3rd and 4th of June, we heard the same issues raised. There was also the issue of safety for people who collect the money.

Many of our lakes are urban areas. Our park rangers are concerned that they are collecting this money and not really trained on how to protect it. Our general policy has been if somebody tries to take the money from them, give it to them. It is not worth their life or personal injury.

One of the aspects that we have looked at, but I don't see being resolved soon, is our rangers would like to rather than having a user fee, an entrance fee so they can keep out undesirable people. It is difficult to enforce just swimming and just boating. There are problems with doing that as well.

I would be happy to brief you——

Mr. HUTCHINSON. It would be helpful for me if we could compare the month of May in 1994 with the month of May in 1993 and the facilities where these fees have already been implemented to see how it has impacted usage.

Dr. ZIRSCHKY. If we have the data for the years prior to charging the fees, we will be happy to provide that to you. May probably wouldn't be a good indicator month, but probably more at the height of the summer.

Mr. HUTCHINSON. I hate to wait two more months in order to get some kind of reading on this, so whatever you could provide us, I would appreciate it.

Thank you, Mr. Chairman.

Mr. APPLEGATE. The gentleman from Illinois, Mr. Sangmeister.

Mr. SANGMEISTER. Thank you, Mr. Chairman.

Doctor, welcome to the committee and I appreciate your opening remarks that you are willing to cooperate with members of this committee, so it won't take me long to get parochial.

Let me give you a situation I have in my State. I have a community called Streeter, Illinois that was built over abandoned coal mines. For years, all they have done is dumped their surface water and their sewage into the coal mines and sooner or later, EPA said, "The end has come."

EPA is working and doing a lot of funding to correct the problem, but they can't do it all and this is a small community that can't afford it either.

I am looking everywhere for help for that community. I noticed in the 1992 Water Resources Development Act, that there are two sections in there, Sections 313 and 340, one relating to southern West Virginia, another relating to south central Pennsylvania, which established pilot programs for environmental assistance.

Seeing that those programs were put into that, I am curious because I am thinking maybe my particular problem can come under some kind of a pilot program as well.

Can you tell me, what has happened with those pilot programs, if you know, for those two areas of Pennsylvania and West Virginia?

Dr. ZIRSCHKY. I believe they are under way and currently in the study phase. We can perhaps—subject to our budget limits, there are other authorities we could perhaps work on with your community. We have planning assistance to State and local governments they might be able to use to help at least get an initial look into the problem from the Corps standpoint.

Mr. SANGMEISTER. Who from my staff could work with your staff? Could you give me a name that we can contact?

Dr. ZIRSCHKY. Jim Rausch is our Congressional Affairs person.

Mr. SANGMEISTER. David Wilke in my office is sitting two seats away. You think that that may be an avenue that you can help? Getting back to the programs, you say they are, at this time, in the study stage; is that right?

There has been no money appropriated to do anything in those communities?

Dr. ZIRSCHKY. There has been money appropriated, in fiscal year 1994, a total of $10 million for south central.

Mr. SANGMEISTER. Authorized by the committee was $17 million for one and $5 million for the other. We authorized here. That was appropriated and you have those funds and you are moving forward in these areas, I take it?

Dr. ZIRSCHKY. Yes, sir.

Mr. SANGMEISTER. Do you think the factual situation I submitted to you might also call for a pilot program or would you rather go the route that you are suggesting?

Dr. ZIRSCHKY. Without knowing the details, I can't give you a good answer on that, but I would be happy to have Jim work with your staff to see if we can scope something out.

Mr. SANGMEISTER. Thank you.

I yield back.

Mr. APPLEGATE. Thank you, Mr. Sangmeister.

Mr. Horn.

Mr. HORN. Thank you very much, Mr. Chairman.

You have been very articulate and knowledgeable, Mr. Secretary. Let me start with the real parochial issues and then get into broader national policies.

We have a question in California of beach erosion, specifically on the peninsula beach which is a little far from the downtown area. The beach in question is inside the Federal breakwater that pro-

tects the Ports of Los Angeles and Long Beach, which are in the district.

The City of Long Beach has nearly exhausted its own resources in replenishing the beach with sand due to erosion and the erosion is believed to be caused by the tidal surge created by the Federal breakwater.

At this point in the process, we have been successful in getting a small amount of money appropriated for the Corps to perform a reconnaissance study of the problem, and I have been told that the authority for this reconnaissance study is covered under the existing Point Magoo to San Pedro Breakwater Coastline Study that was a part of the Water Resources Development Act of 1986.

Could you confirm that this authority would extend to the peninsula beach? I understand you might want to file that for the record.

Dr. ZIRSCHKY. Yes. I would like to respond to that for the record.

Mr. HORN. Mr. Menendez was very eloquent on the subject of dredging and I agree with every word he said. What I am concerned about is the approval time for permits for minor dredging when what you are talking about is dredging clean material.

It just seems feasible that the Corps should be able to approve these permits in a much faster time period and yet I understand from the Ports of Los Angeles and Long Beach that this process can take a year or longer. Again we are talking about material that is not contaminated and is largely sediment that is moved around from the prop wash from visiting ships to what are combined the largest port complex in the Nation.

What is the Corps really doing about these delays? I heard your answers with great interest. What can we do to help reform what seems to be a very clogged-up process?

It has been suggested to me, for example, that a two-month time limit would be more than sufficient to get these permits approved. Again, this is clean material. It is not contaminated. It is just a matter of doing what you have to do in a timely way.

I notice the Journal of Commerce has had an article or two on it plus an editorial.

Mr. Chairman, I would like those inserted in the record to fill out the question.

Mr. APPLEGATE. Without objection.

Dr. ZIRSCHKY. One issue that I didn't mention before was that the Maritime Administration has convened a task force to look at the whole dredging problem, how we can make it better and respond more quickly.

I believe they are now doing public meetings across the country with local ports to come up with a series of recommendations that this summer hopefully will be final that we can use as a basis for fixing the problem.

Mr. HORN. Is that the interagency working group on the dredging process?

Dr. ZIRSCHKY. Yes.

Mr. HORN. Let me ask you a few things about that. As I understand the report is due in mid-July; is that correct?

Dr. ZIRSCHKY. I believe so. Yes, sir.

Mr. HORN. They put out a so-called options paper and in that paper, there is a section entitled dredging policy. It lays out five different options for consideration.

Let me read you the first line of the policy: "Current policy to guide Federal agency decisions on where, when and how to dredge is inconsistent and ambiguous."

I think we could agree on that. Unfortunately, it doesn't look like the options being proposed as solutions will take us very far in correcting the obvious. For example, Option 4.1 calls for development of principles to guide the Federal decision-making process and "the authorization and permitting process would essentially remain the same."

It seems to me what we are talking about here, Mr. Boehlert, Mr. Menendez and myself, is there has to be a sense of urgency here. As you know, there is no agency of the Federal Government that has a higher affection of the Congress than the Corps of Engineers. We think it is just simply wrong for you to delay the approval because of the coordination with other Federal agencies.

I like your idea of getting them in the room early and saying "Okay, folks, what are we talking about? Let's get it in writing, sign on it, and quit playing the game of constantly upping the ante."

There are billions of dollars in international trade at stake here, tens of thousands of jobs in all these areas and the Corps historically has been a lot more efficient than that, and you are being given a bum rap because of other agencies.

I know you probably want to keep peace with some of these other agencies. Some of us don't care if you keep peace or not. You have the responsibility. Let's use it, and I don't think you will have any problem with Congress on the matter, especially when you have clean materials. It is nonsense to hold this stuff up.

I also don't find much in Options 4.2 through 4.5 that they really offer a concrete solution out of morass. I don't know if you ever saw "Yes Minister," my favorite being Humphrey, the superb civil servant of the British Ministry on Administration, a fictional creation, and it sort of was what I call Humphrey language, that we have a lot of work, a lot of study, a lot of people get in the room, but we really haven't come up with solid recommendations.

I spent most of my life as an administrator, not a legislator. I wouldn't put up with that for 10 minutes if I were in the Corps as Secretary, Assistant Secretary, or whoever over there. So I would like your feeling about those proposed solutions, and can you give me a clear view of how these options are going to really solve our current policy, based on that working paper?

Dr. ZIRSCHKY. I would like to answer in a more general sense.

Some of the recommendations of that options paper I don't particularly like, like turning the Corps' program into a grant program. I don't think that is going to help much.

I think the key is something brought out in the National Performance Review, which is accountability, making other agencies accountable for delivering on time. I think just getting that, which is in the National Performance Review, would go a long way towards fixing the problem.

Mr. HORN. Suppose you set a time period, you have 60 working days or 2 months; if your report isn't in, we proceed without you. Then they have to get off the dime. They can't just pass the paper around and pass the nonsense around.

You are the agency that we are looking to for leadership. I find when you give people goals, you give them targets and hold them to the behavior changes. We have to break this bureaucratic culture where you have people playing their own agenda that have nothing to do with the law and they are gumming up the works of the major international trade system that this country is engaged in, namely our ports, East Coast, West Coast and Gulf.

Can we not set a two-month time limit and say if your report isn't in, we are proceeding to issue the permit?

Dr. ZIRSCHKY. I don't know specifically about the two-month time limit. With regard to the wetlands program, we have negotiated a memorandum of agreement just to do that, to set time lines for when actions will be taken and so far, it is working fairly well.

Mr. HORN. Do you mean the time lines on each individual wetland?

Dr. ZIRSCHKY. On the process overall. For example, when the decision is made to elevate a permit, how long they have to act, how long we have to act so that people know there is some date out there when a decision has to be made.

We are trying to make our people more accountable. We have a district engineer in Chicago who is due to rotate out in the next couple of weeks, but we are going to hold the Secretary of the Army and the Under Secretary accountable for a permit issuance or denial long after he left his command because he had his two-year tour and it didn't get resolved.

Mr. HORN. That is encouraging news. It seems to me with your control over rank and promotion in the Corps and you have the brain power of the military academy and the rest in terms of the cream of the crop that you have sanctions there if people aren't getting their job done.

They don't need to be promoted or given a new assignment. They can be retired.

Dr. ZIRSCHKY. That is authority I don't actually have.

Mr. HORN. Well, the Secretary of the Army has it and you report to the Secretary of the Army and the Under Secretary. The current dredging permitting process, some have said, ought to be removed from Section 404 and a new permitting process ought to be developed specifically focused on dredging and get it out of Section 404.

What is your feeling on that?

Dr. ZIRSCHKY. The administration doesn't have an official position on that at this time.

Mr. HORN. Well, is there a discussion about doing this?

Dr. ZIRSCHKY. It has been discussed. The current feeling, I think, tends to be that we can fix the process administratively, but there has been no final determination.

Mr. HORN. Is the Corps advocating removal from Section 404 to the administration or what is the Corps' official position?

Dr. ZIRSCHKY. We don't have an official position at this time.

Mr. HORN. How do these discussions occur? Somebody must go to working meetings and say "we think this is the best idea."

What is your thinking without being official or unofficial, on the thinking of the Corps based on this experience?

Dr. ZIRSCHKY. Let's try and make the people accountable for what they do. We might not need to make changes to the statute if we can just get people to live up to the date they say they are going to deliver something.

Mr. HORN. You agree then you need to fix some time periods. My concern comes with do we do this project by project when some is de minimis, as the lawyers would say, or do we have basic classifications?

Obviously the degree of contamination in some of these problems, I can understand that worry. But when you have sampling that gives you a highly contaminated situation, give them another month or two. But to think that engineers in Chicago couldn't dispose of the case makes no sense.

The Army is supposed to be able to make a decision. So you are thinking of sticking with time periods. What do you think about categories versus doing this project by project by project?

Dr. ZIRSCHKY. I don't think project by project makes sense because then you will spend more time trying to figure out what to do on a specific project than it might take to reach the decision. We need to explore some general guidelines.

Mr. HORN. Could the Corps classify it as to type of project, contaminated, minor contamination, no contamination and use that as the criteria and say "If you don't like what we are doing here, let us know in 10 or 15 days and give us your evidence."

Then if you don't accept that, proceed. But it sounds like Calhoun's theory of government where unless everybody agrees, nothing happens and that bothers me.

Dr. ZIRSCHKY. We do have some tiers now or perhaps we can take a second look and brief you if you would like on what we are currently doing.

Mr. HORN. I would be delighted, but I am sure the committee members would like to hear the answers, too. If you could submit it in writing or get a group of us together that are concerned on the dredging, we would be glad to sit down with it.

Mr. GILCREST. I am confused. We were talking about dredging and then you made a comment on Section 404. Is that Section 404 of the Clean Water Act?

Mr. HORN. I understand the dredging permitting process is related to that and the question would be should you create a separate process? Is that what the Corps is reviewing?

Dr. ZIRSCHKY. The ports have given us a proposal that we are evaluating. It is my understanding that the Section 404 process was originally designed for dredging, but it is obvious from the problems that have arisen that a second look is in order.

Mr. HORN. So a second look is being undertaken separate of this interagency group, or is it part of the interagency group?

Dr. ZIRSCHKY. Both. There is the interagency group effort and we are also trying to live up to the Executive Order about better customer service working with our ports.

We have had a number of workshops, just the Corps and the ports across the country. We had one here in Washington in April. I met with the Port Association Friday. They are in Chicago trying

to come up with a consolidated position amongst themselves on what they need in terms of dredging both the permit process and the disposal of the material.

We are looking forward to them getting back to us the following week so we can try and move this issue forward.

Mr. APPLEGATE. Mr. Horn, we have to move on. You can submit some questions. I know this is going to be a never-ending subject for a lot of questions.

Mr. HORN. If we could just file for the record the members of the interagency group.

Thank you, Mr. Chairman.

Mr. APPLEGATE. Mr. Hamburg.

Mr. HAMBURG. Thank you, Mr. Chairman and thank you, Doctor, for being here.

I have a couple of questions I think will be fairly straightforward and you can just report to us on the progress you have made. One has to do with agricultural water supply projects.

We have one in Napa County in my district in northern California. Because of the increased pressure on water supply in the West, we are looking more at using treated water agriculturally, but a problem we run into is that often this treated water is more expensive than so-called new water.

I understand that under the Small Project Approval Provisions of Section 201, the Corps can assist in the implementation of some of these projects.

I wonder if you could comment on that, on any authority that the Corps has on any potential benefits of increasing that authority in order to approve some of these agricultural water supply projects.

Dr. ZIRSCHKY. I know in the past we have done that. I am not sure to what extent we can assist now in our budget climate. I believe I met with Napa County last week about some of the issues in that area.

I would refer you back in the record on that one.

Mr. HAMBURG. Am I correct that it is under Section 201, the Small Project Provisions, that that has been done in the past?

Dr. ZIRSCHKY. I will get back to you on that.

Mr. HAMBURG. I understand that under the 1990 Act, one of the responsibilities of the Corps was for environmental protection and that the Coastal Wetlands Planning Protection and Restoration Act authorized the Corps to undertake certain wetland restoration projects, and again in Napa County, we have a situation where we are doing major restoration of a 10,000-acre wetland.

The administration proposal authorizes $3 million for development of wetlands restoration projects and authorizes the Secretary to accept funds from other Federal agencies. I wonder if the Corps has been working on expanding opportunities for interagency cooperation that could lead to cost sharing in terms of moving these wetland restoration projects forward.

I would like you to comment on that.

Dr. ZIRSCHKY. We have programs working with other agencies, such as Coastal America, not a Corps program, but one that we are actively involved in.

Speaking frankly, our problem now is with the budget climate and most of the agencies suffering significant budget cuts. It has

been very difficult to get other agencies to commit resources to many projects at all.

Mr. HAMBURG. What are the other agencies that you are working actively with in these projects?

Dr. ZIRSCHKY. Interior is the one that we are working most closely with.

Mr. HAMBURG. And they are similarly strapped in terms of any funds for these projects?

Dr. ZIRSCHKY. Yes, sir.

Mr. HAMBURG. So we have established a national goal to restore wetlands, but we have done very little in terms of the funding for moving forward?

Dr. ZIRSCHKY. I wouldn't say that. There is a wetlands project in the Bay Area, Everglades restoration work. A lot of the effort is being concentrated in big projects rather than some of the smaller ones.

Mr. HAMBURG. We are talking about a total area of 20,000 acres. Did you also speak with the Napa group about this as well?

Dr. ZIRSCHKY. No.

Mr. HAMBURG. We will be in touch with you further on the Wetland Restoration project as well.

Thank you, Mr. Chairman. I yield back.

Mr. APPLEGATE. Mr. Poshard.

Mr. POSHARD. Thank you, Mr. Chairman.

Dr. Zirschky, thank you for being here. I don't want to be very parochial, but the concerns I have are in my district.

First of all, I would like to thank the Louisville district for working with us very closely on the Russell Allison Levee on the Wabash River and the St. Marie Levee in my district. You and I have had discussions about my concerns with respect to the Olmstead Lock and Dam situation on the Ohio, so I won't get into those here.

I want to ask about the recreation user fees. We are getting overwhelming numbers of people writing us and calling our offices about those fees.

Could you get your folks to spend some time telling me exactly what the procedures are with respect to Rend Lake and Lake Shelbyville in my district? Are fees being collected? Are those lakes two of the places that might possibly be costing more to collect fees than they would receive?

I would like an update on that to see where we are with respect to those. Those are huge lakes and lots of recreation facilities, et cetera, and I don't yet know precisely what procedures are being used.

I want to join with my colleague who mentioned earlier whatever we need to do to keep those fees local. In terms of repair and maintenance on those facilities, I think that would go a long way to helping us, help the public understand the necessity for this.

I voted for the budget, so I don't want to undo the budget agreement. But there has to be some way that we can do this to help locally rather than everything coming back to Washington.

If we can work something out, even if it takes legislation, I would certainly like to do that and help in that effort. My district is a very poor district. The lakes that we use, the Corps lakes, are mainly used by local folks who don't make much money and don't

have the money to take their families to Florida or California or wherever else people go for vacation.

Their vacation is two weeks on a lake in a tent and for them to pay an extra three, four, five bucks a night, it is burdensome. We would like to find a way to do this that is more acceptable to the folks and more acceptable to the Corps.

If you could help me with that, I would appreciate it; and if you could give me some report on those two lakes and what is going on with respect to collection of the fees and how they are being used as soon as possible, I would appreciate it.

Dr. ZIRSCHKY. We can do that.

Mr. APPLEGATE. Mr. Gilchrest.

Mr. GILCHREST. Thank you, Mr. Chairman.

Dr. Zirschky, pertaining to the question about Section 404 dredging, and I know I came in late, so I didn't hear all the testimony, so I am not quite sure exactly how this would work and I know you don't have any plans to separate dredging from the Corps' permitting building a shopping plaza on what could be designated as a non-tidal wetland so that the dredging could be expedited and become more efficient, which I think is probably something worth debating and something certainly worth looking into.

But I have four perspectives on if there was a decision to separate the dredging of channels in the Section 404 program from a permit to build on a non-tidal wetland, how would that—or maybe we should understand how that would impact the whole movement toward a watershed perspective on the quality of water, the quality of life, the quality of habitat for fish species that spawn in a variety of areas, on the coastal areas especially, so in separating the Section 404 program, I think, would we really need to take a look at the watershed perspective that we are moving into?

The idea that—in the Clean Water Act now, I believe there is some mention of cumulative impacts, but there doesn't seem to be a lot of data on that and therefore we don't seem to use that at all or very well.

If we did separate dredging from the regular wetlands projects, would there be a size of a project—I understand dredging the Port Authority in New York City would certainly be different than dredging a marina in Kent Narrows on the Eastern Shore, and if we did separate this, where would the oversight come from as far as determining where the clean dredged spoils would go?

So I guess there are four perspectives on separating the 404 section—watershed perspective, cumulative impact, size of the project, and where does oversight come from as far as where we would put the clean dredged spoils?

I guess I don't expect a comprehensive, detailed answer right now, but I wanted to put that out as a program proposal. But if you wanted to comment on it, fine.

Let me throw up one more quick thing here, Mr. Chairman. The reason I am so interested in watershed management and cumulative impact and size of projects is because part of my district is very rural on the Eastern Shore of Maryland and many projects fit the niche of permitted projects, and so, therefore, they are permitted. But the idea of watershed management that the groundwater doesn't stop underneath the project and cumulative impact

means you have one dredging operation and a half mile down the bay or the creek or the river, you have another dredging operation where you have another marina or condo permitted and before you know it, a rural area that depends on the quality of water to sustain its economy because its economy is based on how many crabs you catch or how many rock fish you catch or how many tourists come down to set up their tents and understanding that much of the problem of pollution in Chesapeake Bay comes from groundwater—it certainly comes from non-point source pollution and from runoff into the bay; but a lot of the water is absorbed into the ground and then the groundwater runs into the Chesapeake Bay.

If we are looking at a watershed perspective, I think it is important to consider these things if we are going to separate the 404 project. I apologize for my soapbox.

Thank you, Mr. Chairman.

Mr. APPLEGATE. Mr. Oberstar.

Mr. OBERSTAR. No questions, Mr. Chairman.

Mr. APPLEGATE. Our distinguished chairman of the full committee, Mr. Mineta.

The CHAIR. Again I apologize for not being here during the testimony of both Secretary Zirschky as well as Mr. Bates, but I just want to thank them for their being here and especially to Secretary Zirschky for the kind of programs or plans that you have initiated in your short tenure.

You have shown a great deal of quick understanding of the department, and I really appreciate your getting a handle on your work and we look forward to continued relationship here with our committee.

At this point, Mr. Applegate, I don't have any questions, but I do again appreciate your work.

[The statement of Mr. Mineta follows:]

OPENING STATEMENT

CHAIRMAN NORMAN Y. MINETA

JUNE 22, 1994

TODAY WE BEGIN OUR FORMAL CONSIDERATION OF THE WATER RESOURCES DEVELOPMENT ACT OF 1994. WE LOOK FORWARD TO WORKING WITH THE CORPS IN FASHIONING A BILL THAT WILL DO OUR COUNTRY PROUD.

I THINK FEW PEOPLE FULLY APPRECIATE THE VITAL SERVICE THAT THE ARMY CORPS OF ENGINEERS PROVIDES TO STATES AND TO LOCAL COMMUNITIES. THE HISTORY OF OUR COUNTRY HAS FOLLOWED THE COURSE OF OUR WATERWAYS. EVEN TODAY OUR ECONOMIC AND COMMERCIAL SECURITY IS VERY DEPENDENT ON THE CONTINUING VITALITY OF OUR PORTS AND RIVERS THAT CONNECT OUR CITIES TO THE WORLD MARKETS. THE CORPS ACTIVITY IN THIS AREA SPANS OUR HISTORY. ALTHOUGH THIS COUNTRY'S PRINCIPLE ARTERIES OF TRAVEL ARE NOW RAILROADS AND INTERSTATE HIGHWAYS, WE CANNOT

UNDERESTIMATE THE IMPORTANCE OF OUR PORTS AND WATERWAYS AND THE CORPS CRITICAL ROLE IN KEEPING THEM OPERATING.

THE CORPS' OF ENGINEERS EXPERTISE IS ALSO IMPORTANT IN FIGHTING THE FLOODS THAT RAVAGE OUR COUNTRY. OUR COMMITTEE HAS PASSED A SURVEY RESOLUTION REQUIRING THE CORPS TO EVALUATE THE FLOODPLAIN MANAGEMENT POLICIES FOR THE UPPER MISSISSIPPI AND LOWER MISSOURI RIVERS. WE LOOK FORWARD TO THE CORPS GUIDANCE ON THIS IMPORTANT MATTER OF FLOODPLAIN MANAGEMENT.

WITH THE CORPS TRADITIONAL PROJECTS HAVING ALREADY BEING BUILT, THE CORPS HAS IMPROVED ITS ENVIRONMENTAL REPUTATION BY USING ITS ENGINEERING EXPERTISE TO HELP THE ENVIRONMENT. EACH OF THE PAST WATER RESOURCES BILL SINCE 1986 HAS EXPANDED THE CORPS ACTIVITIES IN THE AREA OF ENVIRONMENTAL RESTORATION AND REMEDIATION. THIS IS AN AREA, I BELIEVE, THE CORPS CAN BE EVEN MORE HELPFUL.

AS THE CORPS PREPARES TO ENTER THE 21ST. CENTURY, WE LOOK FORWARD TO HEARING FROM THE CORPS ON HOW IT SEES ITS FUTURE.

Mr. APPLEGATE. Dr. Zirschky, thank you very much. I think that completes our panel.

Mr. OBERSTAR. Mr. Chairman, I thought perhaps there were others who had comments since I had arrived late, but I would like a few moments to make a few comments.

Mr. APPLEGATE. Absolutely.

Let me say this; while this may conclude Dr. Zirschky's testimony, Mr. Bates has not made his presentation yet.

Mr. OBERSTAR. I see.

Mr. APPLEGATE. I will recognize you for whatever it is that you wish to say at this time.

Mr. OBERSTAR. I apologize for being delayed. We all have multiple overlying commitments and unfortunately I didn't get here as early as I anticipated.

Notwithstanding that, this represents, I think, my 30th year on this committee, either as a staff member or as a Member of Congress, and not all of the hearings on Corps programs have been held in this committee room. They were over in the Cannon House Office Building for many years until the Rayburn House Office Building was built, and I have sat through numerous predecessors of yours, Mr. Secretary, hearing testimony.

One of the questions that Chairman Applegate raised in his opening statement was an anticipation of what we might look for in the Corps of tomorrow. I haven't seen that in scanning your testimony.

Perhaps you might like to discuss that question. It is not a new question, but we are at a point in the evolution of the Corps where it is appropriate to say what is the—what do you anticipate is the future role of the Corps of Engineers, recognizing it has been modified, its role has evolved over time?

There are some people who think that we have enough locks, dams, channels and interconnecting waterways and others who think we haven't enough. The debate over this issue goes back to Abraham Lincoln in 1848 as a Member of the House of Representatives when Lincoln, then responding to a call for a waterway tax, said "If we tax the product, we shall never find the waterway in which to put it. We must first build the waterways," and he was right.

He was right then, and the principle is right today. What has to be different, if anything, about the Corps of tomorrow?

Dr. ZIRSCHKY. I hope that the Corps will continue to be the Nation's engineering firm, but to do that, we are going to have to make some significant changes. At our restructuring conference, one of the Corps employees joked that our motto ought to be we are expensive, but we are slow. While that is funny, it is also embarrassing. We need to work with our customers to find ways to get the process done quicker.

Unlike past reorganization efforts, we invited our customers to reorganize and change our processes. We need to be an engineering agency that responds to public needs quickly and cheaply, because there isn't the money anymore to waste.

Mr. OBERSTAR. You talk about reorganization. I remember some reorganization plans that shifted considerable burdens on, as you call them now, customers, the cities, the ports, the shippers, and

when there was this grand plan a few years ago, it sounded logical, of combining all the Corps activities on the Great Lakes into a Lakes District and all the activities on the rivers into a Rivers District and that meant that people who needed permits on Lake Superior for activities involving Lake Superior or Lake Michigan from Minnesota had to fly to Detroit to see the Detroit district office for the lakes, while St. Paul, nearer, was the River District and didn't have any river activities up there on the western terminus of the Saint Lawrence Seaway issues had an awful lot of activities that were important.

Ultimately, we worked it out that the Duluth office had a somewhat larger role in the permitting, but are there some reorganization schemes of that nature in the works for the Corps of the future?

Dr. ZIRSCHKY. No. We are not proposing closing any office, for a number of reasons, one of which is, in the past plans, my perception—the focus was mostly on closing offices and not changing the way we do business. We were still doing business the same way, but your constituents would now have to fly across country to get their business done.

Now we basically keep our stores in the neighborhood, but price our products more cheaply.

Mr. OBERSTAR. Will the division offices remain, or is there a plan to reduce the number of division offices?

Dr. ZIRSCHKY. Not at this time. All offices will have to get smaller in size. Districts, divisions, headquarters, even my office is getting smaller in size. We have eliminated a third of our Senior Executive Service positions, for example. We are charged as part of the Work Force Reduction Act of 1994 to reduce the Civil Works program by about 3,400 employees, roughly 1 in every 8 employees, to meet the goal of a 279,000 work force reduction by 1999.

So the offices will get smaller, but they will still be open for business.

Mr. OBERSTAR. But you are not going to do violent damage to the structure as it exists. That is encouraging. One of the concerns that I have had in the wake of the cost-sharing that resulted from the Carter initiative in 1976, I think it was, or 1977, and expanding it since then, is that there is really not a standard cost-sharing policy throughout the Corps.

Lake-wide, river-wide, the River District, it seems to vary from place to place, and depending on the facility, there is really one major problem for those who use the lakes, and that is the authorized, but yet unbuilt second major lock at Sault Sainte Marie in the upper peninsula of Michigan.

Now, a 1,300-foot lock has been authorized to replace the Davis and Sabin locks, which are way obsolete. One is almost not used at all. Very, very small vessels use it.

The Poe lock, which is 1,200 feet with an operational length of 1,150 feet, is barely adequate for the thousand-foot ore carriers and the beam at 110 feet. When you have a 105-foot beam vessel going through in late season with ice on the lock walls means that you may have only a foot of clearance on either side of one of those vessels and a wind comes along and shifting that superstructure back and forth can be very dangerous.

So we authorized a number of years ago through this committee, through the Congress and the President signed into law construction of a new lock, but discussion over who pays and how the costs are going to be shared—because cost sharing is required—has never been resolved, and the Corps has from time to time taken a limp hand to this issue.

Your predecessors in previous administrations didn't give a fig about this issue frankly. They said "Let the States work it out."

It has been very frustrating. Now we have a new administration. We are hopeful that some initiative can be taken to deal with this very, very significant matter.

You know, 90 million tons of cargo bulk commodities, mostly, move through the locks, and the locks at the Sault have greater capacity, greater size capacity than the seaway locks.

Now if we are going to continue to keep our industries competitive, iron ore mining, coal, energy industries and the construction sector with crushed rock and limestone moving through those locks, we have to have greater capacity. We have to figure out a way of devising a cost sharing.

Now, Michigan can't pay that cost itself because that lock doesn't benefit primarily Michigan. There are eight States that are dependent upon the Saint Lawrence Seaway and the Great Lakes system and the Federal Government. Those of us on the lakes think it is unfair that we had to pay all the costs when the Tennessee-Tombigbee was built and the Gulf intercoastal waterway was built, Locks and Dam 26, and there wasn't cost sharing required of the 11 States along the Mississippi River.

There wasn't cost sharing required of States all along the Ohio, but now when it comes to this major lock project that is going to keep our steel industry competitive, our electrical-generating sector competitive, and our construction sector competitive, we can't get this facility built because there is no agreement on cost sharing.

I would like a commitment on your part to develop a working group that can reach some acceptable principles and participation by all those parties that have to do this in getting that lock started.

Dr. ZIRSCHKY. The administration is committed to working with Congress and would be delighted to help do that. If you could offer to sort of help get us started with the local contacts that we would work with, we would be glad to try and sit down and work something out.

Mr. OBERSTAR. I will do that forthwith.

Thank you, Mr. Chairman.

Dr. ZIRSCHKY. In general, we are committed to working with Congress. We would like to invite you, Mr. Chairman, and any members of the subcommittee or members of the full committee to have a briefing of our commitments, to any facility that you would like to see. We are here to work with you.

Mr. EWING. Thank you.

Mr. APPLEGATE. Mr. Ewing has come in. Does he have anything that he wanted to observe or comment on?

Mr. EWING. I do not, Mr. Chairman. Thank you.

Mr. APPLEGATE. We appreciate the invitation and we will take you up on it one of these days.

Thank you for being here.

Dr. ZIRSCHKY. Thank you, Mr. Chairman.

[Subsequent to the hearing, the following was received from Dr. Zirschky:]

Questions from Congressman Shuster
WRDA 94 Hearing
June 22, 1994

1. QUESTION: Could you provide information to the Committee on the Corps' current policy on urban drainage? Does the Corps continue to adhere to the old "800 CFS" limitation on a finding of Federal interest for flood control projects?

ANSWER: The urban drainage policy is an Administration-wide policy developed 14 years ago through discussions among Army, Agriculture, and OMB. It is documented in 33 CFR 238. Flood control responsibility for waterways with greater than 800 cubic feet per second for a 10 year frequency flood and greater than 1.5 square miles drainage basin was assigned to the Army Corps of Engineers. For smaller waterways and drainage basins in rural areas, flood control responsibility was assigned to the Soil Conservation Service. Rainfall run-off in smaller waterways and drainage basins in urban areas was considered to be urban storm water management, a non-Federal responsibility. This remains the Administration's policy.

2. QUESTION: Dr. Zirschky, please provide documentation of the costs and benefits regarding proposals to contract out with the private sector for dredging activities. Would there be any savings if the private sector, rather than the Corps, performed dredging activities?

ANSWER: Public Law 95-269 states that the Secretary of the Army "shall have dredging... done by contract if he determines private industry has the capability to do such work and it can be done at reasonable prices and in a timely manner." Based upon our contract dredging data, industry has demonstrated that they can perform dredging work at a fair and reasonable cost in comparison to a Government Estimate. While industry has not developed dredge capability to perform all the dredging activities performed by the Corps, in those areas where industry has developed the capability, their bids for similar dredging work were fair and reasonable. While there is a potential for escalation in prices when more work is made available to a limited number of dredges, the experience to date has not indicated higher costs.

During the past several years, the Corps has done about 15-20 percent of the total dredging and has contracted the remainder. Corps costs and contractor costs are not directly comparable because of a wide variety of factors including type of dredging equipment and site specific considerations. Nevertheless, Corps and contractor costs are generally similar. Given the uncertainties of what effect removal of additional

Corps dredges would have on the competitive market, significant savings or costs cannot be finitely quantified.

3. QUESTION: H.R. 4460 would authorize the Corps to approve fees for permits and environmental assessments. What are the costs and benefits of this major proposal? Would fees differ based on the status of the applicant, the size of the project, the impact of the proposed activity? What safeguards would prevent the unfair imposition of fees and the misuse of fee receipts?

ANSWER: We do not know the specific costs and benefits of any particular fee arrangement. We do know that it is very expensive in some cases to delineate wetlands; to evaluate complex permit applications; and to prepare, coordinate, and produce final environmental documentation. We believe as a matter of equity and to enable the Corps to fulfill the objectives of the regulatory program, permit applicants should assist in defraying the expense in significant cases. The principal safeguard to prevent imposition of unfair fees is that the Corps will develop a Federal rule through the formal rule making process, fully involving all interested parties. The principal safeguard against potential misuse of fee receipts is that expenditures from the fee fund would have to be appropriated by Congress. This is the same procedure which works so well for the Inland Waterway Trust Fund and for the Harbor Maintenance Trust Fund.

4. QUESTION: On page 4 of your testimony, you describe environmental cost sharing provisions in H.R. 4460. How did you arrive at the 75% Federal and 25% non-Federal number? Why should recreation be cost-shared at 50/50% and municipal water supply at 100% non-Federal when environmental cost sharing is to be 25% non-Federal? Please elaborate.

ANSWER: Cost sharing provisions for all types of water resources development projects are prescribed in the Water Resources Development Act (WRDA) of 1986. That Act was the culmination of many years of negotiations among a wide range of interests, Congress, and the Administration. The cost sharing rules vary from project purpose to project purpose, depending on the outcome of deliberations leading up to enactment of WRDA 86. Cost sharing for environmental restoration projects was not addressed directly because such projects were not a principal mission of the Army Civil Works program at that time. Cost sharing for environmental projects was indirectly addressed in Section 1135 of WRDA 86, at that time a pilot program, which prescribed a 25% non-Federal share. Subsequently, environmental restoration projects have been pursued on the basis of a 25% non-Federal share either through specific Congressional authority or voluntary contributions from the non-Federal

sponsor. The Section 1135 program has become a permanent program with a 25% non-Federal share. That program has cost limitations, $5 million per project, $25 million per year, so cost sharing for environmental projects which exceed those limits is necessary. Other general programs for environmental restoration enacted since 1986 have included a 25% non-Federal share, e.g., Section 307 of WRDA 90 and Section 204 of WRDA 92. We believe that continuing the 75/25 arrangement which has worked so well and is widely accepted is a reasonable course to follow.

The basic principles behind different cost sharing for recreation and water supply are that benefits from recreation are considered to have a significant local component and thus require a greater non-Federal share to account for the equities between Federal taxpayers and local interests. Cost sharing for water supply is based on the principle that water supply is a directly vendible product for which the direct and immediate beneficiaries are readily identifiable. As I noted earlier, these ratios were developed after lengthy debate and compromise leading up to enactment of WRDA 86.

5. QUESTION: Much attention has focused on the recently circulated draft report of the Interagency Floodplain Management Review Committee, an effort prompted largely by the Great Flood of 1993. Could you elaborate on your testimony on p. 8? Do you envision any major changes in the Corps current approach to floodplain management and to maintenance and/or repair of federally eligible levees?

ANSWER: The final report of the Interagency Floodplain Management Review Committee has only recently been issued. The Administration as yet does not have a position on the recommendations.

6. QUESTION: What steps did the Interagency Floodplain Management Review Committee take to provide for public comment on its recommendations so that navigation and other economic development concerns could be adequately addressed? What specific provisions were made for consultation with the interested parties?

ANSWER: The Interagency Floodplain Management Review Committee was not an Army organization. We would defer to the Executive Director of the Committee to respond to these questions.

7. QUESTION: The regulated community, the general public, and certainly this Committee are anxiously awaiting the final recommendations of the Interagency Working Group on the Dredging

Process. The ports -- even the regulators -- will be the first to tell you that current permitting procedures and cost-sharing policies could be improved. When can we expect recommendations and do you anticipate they will be meaningful ones that tackle the real issues? Please comment.

ANSWER: A working document is currently under review by the Working Group. Cost-sharing and regulatory concerns are among the issues being addressed. Meaningful recommendations are expected and a final report is scheduled to be published within a few months.

8. QUESTION: As everyone in this room knows, the Corps' wetlands permitting program has been and continues to be one of the most controversial in the nation's history. Could you describe some of the recently completed or planned reforms the Corps is undertaking administratively? In particular, what is the current status of the Corps' efforts to provide an administrative appeals process? What about other areas?

ANSWER: As provided in the President's August 24, 1993, Wetland Protection Plan the Corps has completed and is actively developing several initiatives to improve the Corps regulatory program. In August 1993 the Corps and EPA issued the Excavation Rule, Guidance on mitigation banking, and guidance on flexibility in determining compliance with the Section 404(b)(1) Guidelines. The Corps along with the Soil Conservation Service (SCS), EPA and the Fish and Wildlife Service (FWS), on January 6, 1994, have signed an interagency memorandum of agreement that establishes that the SCS will make wetland delineations on agricultural lands and that all the agencies will use the same procedures to identify wetlands.

The Corps is developing several additional initiatives. We are developing an administrative appeal process to allow applicants and landowners to appeal Corps jurisdictional determination decisions, denials of permits, and permits that contain unacceptable conditions. We plan to publish a proposed administrative appeal regulation later this Summer. We are developing a wetland delineator certification program and an interagency wetland delineation and functional assessment training program. We plan to publish a proposed certification program regulation later this Summer. The interagency training program has begun this Summer and should be in full operation in FY 96. Later this Summer we plan to propose several changes to some existing nationwide permits, including nationwide permit 26, and several new nationwide permits. We are developing a proposed regulation to provide that Corps permit decision to be made within 90 days of a public notice unless prevented by legal requirements. We plan to publish the proposed regulation by the end of 1994. We are also developing a regulation that will,

upon completion of the above regulations, clarify and simplify the Corps regulations and consolidate all Corps regulations into a single document. The Corps, with EPA, SCS and FWS, is developing a mitigation banking handbook for use by the public and Federal agencies in developing mitigation banks. We are planning to issue the handbook later this Summer.

9. QUESTION: This Committee, as well as the rest of Congress, would like to see the Corps' capabilities and expertise put to use in new ways and emerging technologies. Could you elaborate on some of the specific areas that you address on pages 21 and 22? (For example, environmental protection generally, acid mine drainage restoration, wetlands creation, Superfund cleanup, water reclamation, etc.).

ANSWER: The Corps has technical and managerial capabilities that go beyond its traditional missions. The examples raised here are areas where the Corps can play, and in some cases, has played a significant role. The Corps has expanded its environmental activities over the years by implementing various authorities for the beneficial uses of dredged material that has helped create wetlands, and the modifications of projects to benefit the environment. The Corps has also made fish and wildlife restoration a primary project purpose to be considered during the planning process.

There are two concerns associated with expanding the Corps role into new areas. First, many of the activities that are mentioned as new areas for Corps participation are the responsibility of other Federal agencies, e.g. water reclamation, Superfund cleanup. It is more appropriate, and it has worked very well to date, for the Corps to use its abilities to assist other governmental agencies in these areas when requested. The second concern is that given the limited funds the Corps has appropriated to it, any expenditures into these new areas reduces the funding available for other critical national programs for which the Corps is responsible such as flood damage reduction, navigation improvement, and now, environmental restoration.

10. QUESTION: Apparently, the reorganization plan for the Corps (that created so much controversy in the past) is dead. Could you comment and elaborate on your testimony from pages 22 and 23? What, if any, plans are there to improve the Corps' current organization and structure? Are any funds being provided for such efforts?

ANSWER: Our current plans for improving the Corps' organization and structure concentrate on implementing the principles laid out in the National Performance Review for such goals as

reducing layering, improving customer service, and eliminating unnecessary regulations.

As I stated in my testimony, I held a kickoff conference along these lines early in June. In addition to videotapes of the conference, the draft output from this conference has been reviewed at all Corps field offices. Responses from our field offices have been received and have been incorporated into a revised plan which we will share with OMB, DOD, and Congress in the very near future prior to any decisions on implementation. Additionally, some Corps sponsors who participated in that conference have also expressed interest in further involvement.

In the meantime, I have proceeded with significant restructuring within my own office, downsizing and empowering, and will continue to do so. Similarly, the Chief of Engineers is intensively scrutinizing the organization of his headquarters and Washington area activities.

Because we are now only in the planning process, rather than in an implementation mode, the ongoing costs are modest, well within normal General Expenditures (GE) work allowances. The more significant cost of staging the 8-9 June conference was funded from the $7 million in FY 93 GE funds committed at that time to Corps restructuring. The hotel and travel costs associated with the conference totaled about $100,000.

Mr. APPLEGATE. Sitting with Dr. Zirschky is Jimmy Bates, Deputy Director of Civil Works with the Corps of Engineers.

You can take the center seat there. You may proceed, Mr. Bates, with whatever it is that you wish to discuss and show.

TESTIMONY OF JIMMY F. BATES, DEPUTY DIRECTOR OF CIVIL WORKS, U.S. ARMY CORPS OF ENGINEERS, ACCOMPANIED BY HUGH WRIGHT, DEPUTY CHIEF, PLANNING DIVISION

Mr. BATES. Thank you, Mr. Chairman.

It is good to be here with you today. I am Jimmy Bates, Deputy Director of Civil Works of the Corps of Engineers. With me is Hugh Wright, deputy chief of our Planning Division.

I am pleased to be here today to brief you on 15 new water resources projects proposed for authorization. The first five projects have a completed chief's report. The remainder are scheduled to have a report signed by 1 July 1994.

In addition, there are ten projects that have been previously authorized and require reauthorization in accordance with Section 902 of the Water Resources Development Act of 1986. These are covered in my detailed statement.

Administration policy is to not support any project for authorization that has not completed the Executive Branch review process.

All of these projects have satisfied the NEPA requirements for the current report status. All of the recommended plans, except for the AIW Bridge at Great Bridge, Virginia; Illinois shoreline erosion, Interim Illinois, and Duck Creek, Ohio, are the National Economic Development Plan. All project costs are at October 1993 price levels, and a discount rate of 8 percent was used for economic evaluations.

I will give you a summary of each project. Detailed information is in the blue books I have provided to the committee.

The first report concerns improvements for flood control along the Wood River, near Grand Island, Nebraska.

There is a long record of flooding in the Grand Island community. Four major floods occurred between 1923 and 1967. The most recent and serious flooding occurred in May 1967, causing over $14,900,000 in 1993 dollars, in flood damages throughout the Grand Island area.

Significant flood-related damages to residential, commercial, industrial, and public structures are caused by inadequate existing channel capacities.

The recommended plan includes the construction of two miles of channel and levee; a diversion structure; five miles of diversion channel with levees on both sides; and mitigation of environmental impacts.

The economics are shown here.

The Central Platte Natural Resources District, the local sponsor, strongly supports the project.

The report of the Chief of Engineers is currently under review by the administration.

This project concerns storm damage protection measures along the Lake Michigan shoreline from Wilmette, Illinois, through the Cities of Evanston and Chicago to the Illinois/Indiana State line, a distance of approximately 33 miles.

Storm damage problems in Wilmette and Evanston are minimal, due to the virtually complete armoring of the shoreline in this portion of the study area. Therefore, investigations of storm damage protection measures were concentrated along a 28-mile reach of Lake Michigan Shoreline within the boundaries of Chicago.

Degradation of existing shoreline protection structures and the impacts of recurrent frequent flooding to vehicular traffic along Lake Shore Drive in Chicago are caused by wind and wave forces and high water levels of Lake Michigan during periodic storm events.

The recommended plan includes the construction of steel sheet pile and step stone revetment, breakwater reconstruction, a floodwall, and beach replenishment.

The National Economic Development Plan features rubble revetments. Both plans provide the same level of storm damage reduction.

However, the local sponsors view aesthetics and recreation enhancement as important outputs of the project and have agreed to pay 100 percent of the incremental costs associated with this upgrade. Therefore, the locally preferred plan is the recommended plan.

The economics are shown here.

The City of Chicago and Chicago Park District have expressed their willingness to act as the project sponsors.

The report of the Chief of Engineers is currently under review by the administration.

This report concerns flood protection works along Rio Grande de Arecibo and its main tributaries, Rio Santiago and Rio Tanama, Puerto Rico.

Located on the north coast of Puerto Rico, it is about 29 miles west of the City of San Juan and has a total drainage area of 188 square miles.

Flooding in the project area affects some 1,200 residences, 11 industrial plants, over 300 commercial establishments, and over 100 public buildings and facilities in the vicinity of the City of Arecibo. Quantifiable average annual damages are $7.1 million.

The recommended plan provides for a combination of channels, levees and floodwalls along the Rio Grande de Arecibo and its tributaries. The plan also includes a rock jetty at the ocean outlet, a recreation trail on the levee; and the planting of 7.5 acres of land into mangroves to mitigate for environmental losses.

The plan provides 100-year level of flood protection for the City of Arecibo.

The project economics are shown here.

The Puerto Rico Department of Natural and Environmental Resources is the non-Federal sponsor for this project. Local interests expressed their support for the project.

The report of the Chief of Engineers is currently under review by the administration.

This report concerns improvements to reduce undesirable shoaling in the Santa Barbara Harbor Entrance Channel.

Santa Barbara Harbor serves as a home port for approximately 1,100 vessels, including 157 commercial fishing vessels. Waves breaking across the Santa Barbara Entrance Channel, due to the

rapidly forming shoal in that area, cause damage to vessels, loss of revenue to water-related business, and increased channel maintenance costs.

These conditions inhibit the use of the harbor by all boaters, and reduce its desirability as a harbor of refuge; one of the few available along the central California coastline.

Also of concern to the City of Santa Barbara are the impacts of budgetary constraints, contractor delay problems and other aspects of federal channel maintenance.

The recommended plan consists of acquiring a dredge and associated equipment to allow the City of Santa Barbara to take over maintenance of the existing Federal navigation channel.

The city-operated dredge would provide the operational flexibility to respond more rapidly to dredging needs and reduce overall dredging costs.

The economics are shown here.

The economic evaluation is based on a comparison of the average annual cost of $1,160,000 for the dredge as compared to the annual cost of $1,170,000 for continued corps maintenance of the channel.

Therefore, the recommended plan results in a $10,000 net annual savings over the current practice of Federal channel maintenance and provides the most cost effective means for maintaining the harbor channels.

The City of Santa Barbara, the local sponsor, strongly supports the project.

The report of the Chief of Engineers is currently under review by the administration.

This report concerns improvements for hurricane and storm damage reduction measures for Marin County shoreline, San Rafael Canal, California.

High tides in combination with low barometric pressure and surge effects in San Pablo Bay result in overtopping of the existing levees along the south bank of the San Rafael Canal. Frequency analysis of peak tides indicates that some overtopping starts with a 2 year tidal flood.

The area subject to flooding includes over 700 residential structures, about 200 commercial structures, and the principal commercial district of the city. The total value of flood plain property is about $330 million. Damages for the 100-year and 500-year tidal flood events are estimated to be $56 million and $83 million, respectively.

The recommended plan consists of sheetpile floodwall along portions of the south bank of the San Rafael Canal and along the East Bayfront Levee crest; and 750 linear feet of new levee in Pickleweed Park.

Habitat mitigation and endangered species impact avoidance measures include restoring flows through 4.7 acres of wetlands in Pickleweed Park, and improvement of tidal action to the 4.3 acres in Seastrand Marsh.

The economics are shown here.

The City of San Rafael, the local sponsor, strongly supports the project.

The report of the Chief of Engineers is under administration review.

The next report concerns improvements for flood control along the Big Sioux River and Skunk Creek at Sioux Falls, South Dakota.

There is a long record of flooding in the Sioux Falls area. Seven major floods occurred between 1951 and 1984.

The 1969 flood of record exceeded the design capacity of the existing corps project by 70 percent. Only emergency efforts of raising levees and constructing flashboards prevented major flooding in Sioux Falls.

The potential for major flood-related damages to residential, commercial, industrial, and public structures is significant.

The recommended plan includes raising the existing diversion levees and the levees along the Big Sioux River and Skunk Creek; raising the diversion dam; raising the walls of the existing spillway chute; deepening and extending the stilling basin; making selected bridge improvements; extending interior drainage structures; and restoring and mitigating small wetland areas on project lands.

The economics are shown here.

The City of Sioux Falls and the State of South Dakota, the local sponsors, strongly support the project.

The report of the Chief of Engineers is currently under preparation.

This report concerns the replacement of the Atlantic Intracoastal Waterway, AIW Bridge in the City of Chesapeake, Virginia.

The bridge is located in southeastern Virginia, where Virginia Route 168 crosses the waterway.

The existing bridge, constructed in 1943, is a double-swing, two-lane highway bridge which was adequate at the time it was built for a rural area. However, the bridge now connects a multi-lane highway through a heavily traveled area serving a busy urban commercial center.

The bridge is seriously overloaded, carrying over 30,000 vehicles per day, which is double its design capacity. Structural problems have required the bridge to be down posted from 15 to 13 tons. Conditions on the bridge are especially hazardous for large vehicles, such as school buses and trucks, crossing in different directions.

The recommended plan is the locally preferred plan and it would replace the existing bridge with a 5-lane, 6-foot vertical clearance Bascule Bridge East of the existing alignment. The Federal Government would pay 100 percent of the replacement costs of a 4-lane bridge, which is the NED plan, while the sponsor would pay the additional costs for the 5-lane bridge.

The sponsor would assume ownership of the plan would assume ownership of the new bridge. The plan would satisfy existing and future needs in the area.

The economics are shown here.

The City of Chesapeake is the non-Federal sponsor and supports the recommended plan.

The report of the Chief of Engineers is currently under preparation.

This report concerns the feasibility of navigation improvements to provide for deepening the existing Federal project to accommodate deep draft vessels in Coos Bay, Oregon.

World fleet vessels calling on the port are constrained by the existing channel depths. Vessels must wait at sea or port for favorable conditions before entering or leaving the area because of rough entrance conditions and lack of suitable in-bay anchorage.

Consequently, vessels experience costly delays awaiting favorable tides or are light loaded.

The recommended plan consists of deepening the existing channel from 45 to 47 feet at the entrance and from 35 to 37 feet in the 15-mile inner channel; and deepening and widening the turning basin at River Mile 12.

The economics are shown here.

The Oregon International Port of Coos Bay, the non-Federal sponsor, and the State of Oregon strongly support the project.

The report of the Chief of Engineers is currently under preparation.

This report concerns navigation improvements to Marmet Locks on the Kanawha River, West Virginia.

The project area is located about 5 miles upstream of Charleston near the community of Belle, West Virginia. Marmet Locks and Dam, located at river mile 67.7, is one of the 3 locks comprising the 91-mile Kanawha River navigation system. The others are located at London, West Virginia, river mile 82.8; and Winfield, West Virginia, river mile 31.1.

The limited capacity of the small existing lock chambers, which measure 56 feet by 360 feet, results in traffic delays, increased transportation costs, and deterioration of the lock structures. The delay and processing time for tows at Marmet Locks approaches almost six hours, one of the highest on the Ohio River system.

In addition, the locks are approaching 60 years of age and some lock walls require replacement to avoid closure of one or both chambers for an extended period of time.

The recommended plan provides for the construction of a new lock chamber 110 feet by 800 feet on the right bank on the landward side of the existing locks. It also includes rehabilitation of the dam, extensive relocations and various environmental mitigation measures.

The economics are shown here.

One half of this cost would be borne by the Federal Government and the other half would be funded from the Inland Waterways Trust Fund.

Associated with the project are $9,900,000 in Federal costs to rehabilitate the existing dam.

The report of the Chief of Engineers is under preparation.

This report concerns flood control improvements to Duck Creek, Ohio.

The Duck Creek Basin is located in the City of Cincinnati and the Village of Fairfax, in southeastern Hamilton County, Ohio. The study focused on flooding problems on Duck Creek, from its confluence with the little Miami River to Interstate Highway 71, located about 3.2 miles upstream.

The Duck Creek Floodplain is subject to frequent flooding, affecting businesses and employment in the area. Several major floods have occurred, with the most severe flooding occurring in 1982 and 1985. Damage from a 100-year flood is estimated at $20.4 million.

The recommended plan is the locally preferred plan and would provide 100-year flood protection along Duck Creek. The plan consists of the construction of floodwalls and levees in three separate reaches, stream relocation and riprap channel protection.

An abandoned highway bridge at the downstream project limit would be demolished and an existing Conrail Railroad bridge would be replaced.

The project also includes construction of several highway closure structures and pump stations; installation of a flood warning and evacuation system; and environmental mitigation.

The NED plan would provide varying levels of protection, some less than 100 years, along Duck Creek.

The economics are shown here.

The non-Federal cosponsors, the City of Cincinnati and the Village of Fairfax, have expressed their support for the project.

The report of the Chief of Engineers is currently under preparation.

This report concerns flood control improvements to Pond Creek, Kentucky.

The Pond Creek Basin is located in the southern metropolitan region of Louisville in Jefferson County, Kentucky. The study focused on flooding problems on pond creek and its tributaries.

The Pond Creek Floodplain is subject to frequent flooding affecting many residences and commercial structures. Approximately 3,800 properties, with a value estimated at $690 million, exist in the 100-year floodplain. The existing topography and rapid growth patterns in the study area have combined to create the potential for severe flooding problems. Average annual flood damages total $4.7 million.

The recommended plan includes construction of two detention basins, an 80-acre basin adjacent to Northern Ditch and a 40-acre basin adjacent to Fishpool Creek; channel enlargement along portions of Pond Creek and Northern Ditch; construction of a multipurpose maintenance road/hiking and bicycle trail along the Pond Creek Channel; and wetlands restoration.

The economics are shown here.

The Louisville and Jefferson County Metropolitan Sewer District has agreed to act as the non-Federal sponsor for this project.

The report of the Chief of Engineers is currently under preparation.

This report concerns hydroelectric power improvements to Wolf Creek Dam, Lake Cumberland, Kentucky.

Wolf Creek Dam and Lake Cumberland are situated on the Cumberland River near the City of Jamestown in south central Kentucky. Wolf Creek Dam controls a drainage area of 5,800 square miles and impounds a large multipurpose reservoir known as Lake Cumberland.

The Wolf Creek project, which has an existing hydropower capacity of 270 megawatts, operates primarily to meet load power demands and full advantage has not been taken of the large amount of storage available at the project.

Power generated at Wolf Creek is marketed by the Southeastern Power Administration, SEPA, and additional capacity is needed to meet future demands in the market area. A portion of the addi-

tional capacity needed would be provided by uprating the Wolf Creek Powerplant, thereby offsetting or postponing the need to construct new plants that use costly nonrenewable resources, such as natural gas and fuel oil.

The recommended plan would consist of uprating the existing capacity to 390 megawatts by replacing key electrical and mechanical components within the hydroelectric units, which will result in higher generating efficiencies and greater peaking capabilities.

The economics are shown here.

Non-Federal sponsors will provide 100 percent of the cost of uprating the hydroelectric units.

The report of the Chief of Engineers is currently under preparation.

This report concerns commercial navigation improvements at Wilmington Harbor, North Carolina.

Wilmington harbor is located between New Hanover and Brunswick Counties on the Cape Fear River.

The current channel widths are inadequate for the larger vessels now calling at the Port of Wilmington. The two principal problems identified are: One, a need for widening; and two, a need for a passing lane at a central location between the port and the Atlantic Ocean.

The plan recommended consists of widening 5 turns and bends and construction of a passing lane 6.2 miles long.

The economics are shown here.

The North Carolina Department of Environment, Health, and Natural Resources, Division of Water Resources has agreed to be the non-Federal sponsor and has expressed support for the recommended plan.

The report of the Chief of Engineers is currently under preparation.

This report concerns replacement of the Palm Valley Bridge in St. Johns County, Florida. The Palm Valley Bridge is located approximately 40 miles south of Jacksonville, where county Road 210 crosses the Atlantic Intracoastal Waterway, AIWW.

The Palm Valley Bridge was constructed in 1937. Vehicle widths and weights have increased since then, causing the bridge's roadway width and load limit to become obsolete. Conditions on the bridge are especially hazardous for large vehicles, such as school buses and trucks crossing in different directions.

By Federal and State transportation agency standards, the bridge is termed "functionally obsolete."

The recommended plan would replace the existing bridge with a two lane, high-level fixed span bridge with a vertical clearance of 65 feet for navigation. Construction of the new bridge includes removal of the old structure and establishing the width of the waterway consistent with authorized upstream and downstream dimensions.

Mitigation involves restoration of low to moderate wetland habitat to high-value habitat on State lands within the adjacent Guana River wildlife management area. The plan would satisfy existing and future needs in the area.

The economics are shown here. The first cost of the project would be 100 percent Federal. The sponsor would take over ownership.

The county of St. Johns is the non-Federal sponsor and supports the recommended plan.

The report of the Chief of Engineers is currently under preparation.

This report concerns improvements for flood control along the San Lorenzo River in Santa Cruz, California.

There is a long record of flooding along the San Lorenzo River. Most recently in 1982, a major runoff event occurred causing one span of the Soquel Avenue Bridge to collapse. With the water surface reaching to within three feet of the top of levee, this event was significantly larger than any that had occurred since construction of the existing project.

The area subject to flooding includes over 1100 residential structures and about 300 commercial structures in the principal commercial district of the city. The total value of flood plain property is about $600 million.

Damages for the 50-year and 100-year flood events are estimated to be $57 million and $83 million, respectively.

The recommended plan consists of constructing approximately 13,000 linear feet of floodwall on top of the existing levees along the San Lorenzo River, modifying two bridges and dredging as much as 75,000 cubic yards of sediment from the channel.

The economics are shown here.

The City of Santa Cruz, the local sponsor, strongly supports the project.

The report of the Chief of engineers is currently under preparation.

Mr. Chairman, this concludes my statement. I would be pleased to answer any questions that you or other members of the committee may have.

Mr. APPLEGATE. It was very interesting to see the projects and to see the list and have the rundown. It gives us very good insight into each of those. I don't have any particular questions probably because I don't have any projects on there. So I think what I will do at this time is yield to Mr. Ewing.

Mr. EWING. Thank you, Mr. Chairman. You and I, I think, are in the same canal. I don't have a project in there that I saw either. I did want to ask, if I could, a question about what the Corps is considering along the Mississippi River with the extensive damage to flood prevention structures that were destroyed last year in Illinois and Iowa.

Mr. BATES. Sir, we have a number of repairs to levees that are underway now through our emergency response program. Of course, Congress has authorized and funded us to do an assessment, a reconnaissance level assessment of that area to identify those problems and see what solutions might be afforded.

Mr. EWING. When would you anticipate the repair would be done or your assessment or both?

Mr. BATES. Sir, the program has scheduled all of our levee repair to be completed this year. We will have by the end of July all of those remaining repair items under construction. So we are meeting that original schedule.

We have just started this year the assessment and that is going to be about an 18-month effort.

Mr. EWING. Will the assessment be just the Corps or the Federal facilities? I think there are a lot of local or agricultural structures there. Will the assessment be of the whole structure along the river?

Mr. BATES. We will be looking at that as a system, sir, the upper Mississippi and Missouri as well as part of a total system.

Mr. EWING. Will there be recommendations in this assessment as to——

Mr. BATES. This assessment will be a reconnaissance level review and that will tell us whether there are some areas that we need to focus in on for feasibility level study and recommendations to the Congress.

Mr. EWING. Is there a big difference between the height and cast of the structures on the upper Mississippi as compared to the lower?

Mr. BATES. Yes, sir, because the Lower Mississippi Flood Project under the Mississippi River and tributaries was designed to carry a designated flood. In the upper Mississippi, the projects that were there, whether built by local levee districts, local farmers, or in the Corps of Engineers system were built at varying levels of protection at varying times, varying engineering standards. So there is, yes, a difference in the levee system in the upper Mississippi and that of the lower Mississippi.

Mr. EWING. The lower Mississippi has much more capacity and is much more effective in controlling the floods?

Mr. BATES. That is true because it was designed to carry a very large flood. All of those levees are part of that project designed to carry that one level of floods. That is not the case in the upper Mississippi.

Mr. EWING. Will the assessment look at potential construction in the upper Mississippi as well as the lower?

Mr. BATES. That could be one of the options that comes out. Whether that would ever be affordable, we can't conclude what is going to be in that study.

Mr. EWING. That assessment will be reported back to the Congress as a whole or will it come to this committee?

Mr. BATES. That will be a reconnaissance level study and from that we will make recommendations whether to proceed into a feasibility stage or not.

Mr. EWING. I am not sure the answer gave me any direction.

Mr. BATES. The reconnaissance study does not come back to the Congress with a recommendation. It is available to the Members of Congress but it does not come back to you with a recommendation to authorize a certain project. We have to go into a feasibility phase for that.

Mr. EWING. Thank you very much.

Mr. APPLEGATE. Just a matter of information. I have in my district the new Cumberland Lock and Dam, the Pike Island Lock and Dam, and the Hannibal on the northern reaches of the Ohio River.

Mr. BATES. Yes, sir.

Mr. APPLEGATE. And I believe at least one of these or maybe more must be pretty close to about 30 years old. They must have been one of the first ones built on that river.

What is the average life of those dams and do you have any idea just off the top of your head about the condition of those dams?

Mr. BATES. Sir, until five years ago when I came to Washington I was in the Ohio River division and we kept them in pretty good shape at that time. But the average age of our structures now is roughly 42 years, and we are completing some new lock structures. But after the turn of the century, the average age of our lock structures, and that is about 240 or so, throughout the inlands' waterway system, is going to average over 50 years old.

We have some operating locks down the lower Kentucky that are over a hundred years old. Corps' standards have changed, engineering and design standards have changed since that time so those that are just 30 years old should be in pretty good shape.

Mr. APPLEGATE. I think the whole series, the latest one—Hannibal and Pike Island and Cumberland. Cumberland I think is the oldest of the new series?

Mr. BATES. Of those on the Ohio, yes.

Mr. APPLEGATE. What was what, about 30 years?

Mr. BATES. No, sir, I think it goes back a little further than that. Seems to me that was in the late 1950s but I would have to provide that for you, sir.

Mr. APPLEGATE. Time does have a way of flitting by.

Mr. BATES. Yes, sir.

Mr. APPLEGATE. Thank you very much. I appreciate that.

Mr. Geren.

Mr. GEREN. I have no questions, Mr. Chairman.

Mr. APPLEGATE. Well, I guess you lucked out, Mr. Bates. I thank you very much for your very articulate presentation of the projects, and I thank the Corps, Mr. Wright, for you being here. You are the silent member today, but you are probably just as happy with that, too.

I thank you very much for your cooperation, and we will be looking forward to working with you.

Mr. BATES. Thank you very much, sir. I am honored to be here.

[Whereupon, at 11:30 a.m., the subcommittee was adjourned.]

DEPARTMENT OF THE ARMY

COMPLETE STATEMENT

OF

JIMMY F. BATES

DEPUTY DIRECTOR OF CIVIL WORKS

U.S. ARMY CORPS OF ENGINEERS

BEFORE THE

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT

U.S. HOUSE OF REPRESENTATIVES

ON

THE WATER RESOURCES DEVELOPMENT ACT OF 1994

JUNE 22, 1994

Mr. Chairman and Members of the Committee, I am Jimmy F. Bates, Deputy Director of Civil Works. With me today is Mr. Hugh Wright, Deputy Chief of the Planning Division. I am pleased to be here today to brief you on 15 new water resources projects proposed for authorization. The first 5 projects have a completed Chief's report. The remainder are scheduled to have a report completed by 1 July 1994. In addition, there are ten projects that have been previously authorized and require reauthorization in accordance with section 902 of the Water Resources Development Act of 1986. Administration policy is to not support any project for authorization that has not completed the executive branch review process.

All of these projects have satisfied the NEPA requirements for the current report status. All of the recommended plans except for the AIW Bridge at Great Bridge, VA; Illinois Shoreline Erosion, Interim III, IL; and Duck Creek, OH are the National Economic Development Plan (NED). All project costs are at October 1993 price levels, and a discount rate of 8 percent was used for economic evaluations.

I will give you a summary of each project. Detailed information is in the blue books I have provided to the committee.

Wood River at Grand Island, Nebraska

The first report concerns improvements for flood control along the Wood River, near Grand Island, Nebraska. This report is in partial response to a resolution by the Committee on Public Works of the United States Senate adopted 9 May 1963, for the Missouri River and Tributaries.

There is a long record of flooding in the Grand Island community. Four major floods occurred between 1923 and 1967. The most recent and serious flooding occurred in may 1967, causing over $14,900,000 (1993 dollars) in flood damages throughout the Grand Island area. Significant flood related damages to residential, commercial, industrial, and public structures are caused by inadequate existing channel capacities.

The recommended plan includes the construction of 2 miles of channel and levee; a diversion structure; 5 miles of diversion channel with levees on both sides; and mitigation of environmental impacts.

The total first cost of the project, based on October 1993 prices, is $10,200,000. The non-federal share is $5,100,000. Using a 50-year period for economic analysis and a discount rate of 8 percent, average annual costs are $916,000 and average annual benefits are $1,920,000. The benefit-to-cost ratio is 2.1.

The Central Platte Natural Resources District, the local sponsor, strongly supports the project.

The report of the Chief of Engineers is currently under review by the administration.

Illinois Shoreline Erosion, Interim III, IL

This project concerns storm damage protection measures along the Lake Michigan shoreline from Wilmette, Illinois through the cities of Evanston and Chicago to the Illinois/Indiana state line, a distance of approximately 33 miles.

This report is an interim feasibility prepared in partial response to resolutions adopted by the House Committee on Public Works on December 2, 1971 and April 11, 1974.

Storm damage problems in Wilmette and Evanston, Illinois are minimal, due to the virtually complete armoring of the shoreline in this portion of the study area. Therefore, investigations of storm damage protection measures were concentrated along a 28-mile reach of Lake Michigan shoreline within the boundaries of the city of Chicago.

Degradation of existing shoreline protection structures and the impacts of recurrent frequent flooding to vehicular traffic along Lake Shore Drive in the city of Chicago are caused by wind and wave forces and high water levels of Lake Michigan during periodic storm events.

The locally preferred plan features steel sheet pile and step stone revetment, breakwater reconstruction, a flood wall, and beach replenishment, as storm damage reduction and recreation measures along the Lake Michigan shore of the city of Chicago, Illinois. The National Economic Development plan features rubble revetments. Both plans provide the same level of storm damage reduction. However, the local sponsors view aesthetics and recreation enhancement as important outputs of the project and have agreed to pay 100 percent of the incremental costs associated with this upgrade. Therefore, the recommended plan is the locally preferred plan.

Total first cost of the project is estimated at $192,251,000 at October 1993 price levels, of which $87,816,000 would be nonfederal. At the current interest rate of 8 percent and a 50-year economic life, the average annual benefits are $68,855,000 and the average annual costs are $13,045,000. The resultant benefit-to-cost ratio is 5.3.

The city of Chicago and Chicago Park District have expressed their willingness to act as the project sponsors.

The report of the Chief of Engineers is currently under review by the administration.

Rio Grande de Arecibo, Puerto Rico

This report concerns the flood protection works, along Rio Grande de Arecibo and its main tributaries Rio Santiago and Rio Tanama, Puerto Rico. It is in final response to U. S. House of Representatives resolution of September 23, 1982.

The Rio Grande de Arecibo basin is in the north central region of the island. On the north coast of Puerto Rico, about 29 miles west of the city of San Juan, it has a total drainage area of 188 square miles.

Flooding in the project area affects some 1,235 residences, 11 industrial plants, over 319 commercial establishments, and 134 public buildings and facilities in the vicinity of city of Arecibo. Quantifiable average annual damages are $7.1 Million.

The recommended plan provides for a combination of channels, levees and floodwalls along the Rio Grande de Arecibo and its tributaries (Rio Santiago and Rio Tanama). The recommended plan also includes a rock jetty at the ocean outlet of Rio Grande de Arecibo and Rio Santiago; a recreation trail on the levee; and the planting of 7.5 acres of land into mangroves to mitigate for environmental losses. The plan provides 100-year level of flood protection for the city of Arecibo.

Based on October 1993 price levels, total first cost of the project is estimated at $18,857,000, of which $8,944,000 would be non-federal. Average annual costs are $1,666,000 and average annual benefits are $7,160,000. The benefit-cost ratio, using an interest rate of 8 percent and 50-year period of analysis, is 4.3. The recommended project provides maximum net NED benefits and thus constitutes the NED plan.

The Puerto Rico Department of Natural and Environmental Resources is the non-federal sponsor for this project. Local interests expressed their support for the project. The report of the Chief of Engineers is currently under review by the administration.

Santa Barbara Harbor, California

This report concerns improvements to reduce undesirable shoaling in the Santa Barbara Harbor entrance channel. This report was conducted under authority of the River and Harbor Act of 1962.

Santa Barbara Harbor serves as a homeport for approximately 1,100 vessels, including 157 commercial fishing vessels. Waves breaking

across the Santa Barbara entrance channel, due to the rapidly forming shoal in that area, cause damage to vessels, loss of revenue to water related business, and increased channel maintenance costs. These conditions inhibit the use of the harbor by all boaters, and reduce its desirability as a harbor of refuge; one of the few available along the central California coastline. Also of concern to the city of Santa Barbara are the impacts due to budgetary constraints, contractor delay problems and other aspects of federal channel maintenance that could affect timely response to shoaling problems.

The recommended plan, which is the NED plan, consists of acquiring a dredge and associated equipment to allow the city of Santa Barbara to take over maintenance of the existing federal navigation channel. The city operated dredge would provide the city with the flexibility needed to respond more rapidly to dredging needs.

The total first cost of the project, based on October 1993 prices, is $5,530,000. Non-federal costs are $1,100,000. Using a 50-year period for economic analysis and a discount rate of 8 percent, average annual cost are $1,160,000. The annual costs for continued Corps maintenance of the Federal channel would be $1,170,000. Therefore, the recommended plan results in a $10,000 net annual savings over the current practice and provides the most cost effective means for continuing maintenance of the harbor channels.

The city of Santa Barbara, the local sponsor, strongly supports the project. The Report of the Chief of Engineers is currently under review by the administration.

Marin County Shoreline, San Rafael, California

This report concerns improvements for hurricane and storm damage reduction measures for Marin County Shoreline, San Rafael Canal, California.
This report is in partial response to a resolution by the House of Representatives Committee on Public Works and Transportation dated August 1984 and section 142 of the Water Resources Development Act of 1976 (Public Law 94-587) as subsequently amended in section 705 of the Water Resources Development Act of 1986 (Public Law 99-662).

High tides in combination with low barometric pressure and surge effects in San Pablo Bay result in overtopping of the existing levees along the south bank of the San Rafael Canal. Frequency analysis of peak tides indicate that some overtopping starts with a 2-year tidal flood. The area subject to flooding includes over 700 residential structures, about 200 commercial structures, and the principal commercial district of the city. The total value of flood plain property is about $330 million. Damages for the 100-year and 500-year tidal flood events are estimated to be

$56 million and $83 million, respectively.

The recommended plan, which is the NED plan, consists of sheetpile floodwall along portions of the south bank of the San Rafael Canal and along the east bayfront levee crest; and 750 linear feet of new levee in Pickleweed Park. Habitat mitigation and endangered species impact avoidance measures include restoring flows through 4.7 Acres of wetlands in Pickleweed Park, and improvement of tidal action to the 4.3 Acres in Seastrand Marsh.

The total first cost of the project, based on October 1993 prices, is $26,300,000. Using a 100-year period for economic analysis and a discount rate of 8 percent, average annual cost are $2,480,000 and average annual benefits are 4,840,000. The resultant benefit to cost ratio is 2.0.

The city of San Rafael, the local sponsor, strongly supports the project. The Report of the Chief of Engineers is under review by the administration.

Big Sioux River and Skunk Creek, Sioux Falls, South Dakota

The next report concerns improvements for flood control along the Big Sioux River and Skunk Creek at Sioux Falls, South Dakota. This report is in partial response to a resolution of the Committee on Environment and Public Works, United States Senate, dated 1 August 1963 and a resolution of the Committee on Public Works and Transportation, U.S. House of Representatives, dated 8 May 1964.

There is a long record of flooding in the Sioux Falls area. Seven major floods occurred between 1951 and 1984. The 1969 flood of record exceeded the design capacity of the existing Corps project by 70 percent. Only emergency efforts of raising levees and constructing flashboards prevented major flooding in Sioux Falls. The potential for major flood related damages to residential, commercial, industrial, and public structures is significant.

The recommended plan includes raising the existing diversion levees and the levees along the Big Sioux River and Skunk Creek; raising the diversion dam; raising the walls of the existing spillway chute, deepening and extending the stilling basin, making selected bridge improvements, extending interior drainage structures; and restoring and mitigating small wetland areas on project lands.

The total first cost of the project, based on October 1993 prices, is $30,700,000. The non-Federal share is $7,820,000. Using a 50-year period for economic analysis and a discount rate of 8 percent, average annual costs are $2,700,000 and average annual benefits are $3,400,000. The benefit-to-cost ratio is 1.2.

The city of Sioux Falls and the State of South Dakota, the local

sponsors, strongly support the project. The Report of the Chief of Engineers is currently under preparation.

Atlantic Intracoastal Waterway Bridge at Great Bridge, Chesapeake, Virginia

This report concerns the replacement of the Atlantic Intracoastal Waterway (AIW) Bridge in the city of Chesapeake, Virginia and was prepared under the authority of section 216 of the Flood Control Act of 1970.

The bridge is located in the southeastern portion of Virginia, where Virginia Route 168 crosses the AIW. The existing bridge, constructed in 1943, is a double-swing two lane highway bridge which was adequate at the time it was built for a rural area. However, the bridge now connects a multi-lane highway through a heavily traveled area serving a busy urban commercial center. The bridge is seriously overloaded, carrying over 30,000 vehicles per day, which is double its design capacity. Structural problems have required the bridge to be down-posted from 15 to 13 tons. Conditions on the bridge are especially hazardous for large vehicles, such as school buses and trucks, crossing in different directions.

The recommended plan is the locally preferred plan and it would replace the existing bridge with a 5-lane, 6-foot vertical clearance bascule bridge east of the existing alignment. The Federal government would pay 100 percent of the replacement costs of a 4-lane bridge, with the sponsor assuming ownership of the new bridge and additional costs in excess of the cost of the 4-lane bridge, which is the NED plan.

The plan would satisfy existing and future needs in the area. Based on October 1993 prices, the estimated total first cost of the project is $22,265,000. The Federal share would be $19,132,000 and the non-federal share would be $3,133,000. Using a 50-year period of economic analysis and the current interest rate of 8 percent, average annual costs are $2,178,000 and benefits are $2,769,000. The resultant benefit-cost ratio is 1.3.

The city of Chesapeake is the non-Federal sponsor and supports the recommended plan. The Report of the Chief of Engineers is currently under preparation.

Coos Bay, Oregon

This report concerns the feasibility of navigation improvements to provide for deepening the existing Federal project to accommodate deep draft vessels in Coos Bay, Oregon. This report is in response to a resolution by the Senate Committee on Environment and Public

Works, adopted on 2 November 1983.

World fleet vessels calling on the port are constrained by the existing channel depths. Vessels must wait at sea or port for favorable conditions before entering or leaving the area because of rough entrance conditions and lack of suitable in-bay anchorage. Consequently, vessels experience costly delays awaiting favorable tides or are light loaded.

The recommended plan, which is the NED plan, consists of deepening the existing channel from 45 to 47 feet at the entrance and from 35 to 37 feet in the 15 mile inner channel. Also, the turning basin at river mile 12, one of the two existing turning basins, would be deepened by 2 feet and widened from 800 to 900 feet.

The total first cost of the project, based on October 1993 prices, is $13,700,000, of which $3,500,000 is the non-Federal cost. Using a 50-year period for economic analysis and a discount rate of 8 percent, average annual costs are $1,270,000 and average annual benefits are $2,000,000. The resultant benefit to cost ratio is 1.6.

The Oregon International Port of Coos Bay, the non-Federal sponsor, and the State of Oregon strongly support the project. The Report of the Chief of Engineers is currently under preparation.

Marmet Lock Replacement, Kanawha River, West Virginia

This report concerns navigation improvements to Marmet Locks on the Kanawha River, West Virginia and was prepared in response to a Senate Environment and Public Works Committee resolution dated 1 October 1979.

The project area is located on the Kanawha River about 5 miles upstream of Charleston near the community of Belle, West Virginia. Marmet Locks and Dam, located at river mile 67.7, is one of the three locks comprising the 91 mile Kanawha River navigation system, with others located at London, West Virginia (river mile 82.8) And Winfield, West Virginia (river mile 31.1).

The limited capacity of the small existing lock chambers which measure 56 feet by 360 feet results in traffic delays, increased transportation costs, and deterioration of the lock structures. The delay and processing time for tows at Marmet Locks approaches almost six hours, one of the highest on the Ohio River system. In addition, the locks are approaching 60 years of age and some lock walls require replacement to avoid closure of one or both chambers for an extended period of time.

The recommended plan provides for the construction of a new lock chamber 110 feet x 800 feet on the right bank on the landward side of the existing locks. The recommended plan also includes

rehabilitation of the dam, extensive relocations and various environmental mitigation measures.

Based on October 1993 prices, the estimated total first cost of the project is $251,100,000. One-half of this cost would be borne by the Federal government and the other half would be funded from the Inland Waterways Trust Fund. Associated with the project are $9,900,000 in Federal costs to rehabilitate the existing dam.

Using a 50-year period of economic analysis and the current interest rate of 8 percent, average annual costs are $16,100,000 and average annual benefits are $33,800,000. The resultant benefit-cost ratio is 2.1.

The Report of the Chief of Engineers is under preparation.

Duck Creek, Ohio

This report concerns flood control improvements to Duck Creek, Ohio and was prepared in response to a Senate Environment and Public Works committee resolution dated 17 December 1987.

The Duck Creek basin, which has a drainage area of 19.9 Square miles, is located in the city of Cincinnati and the village of Fairfax, in southeastern Hamilton County, Ohio. The study focused on flooding problems on Duck Creek from its confluence with the Little Miami River to Interstate Highway 71 located about 3.2 Miles upstream.

The Duck Creek floodplain is subject to frequent flooding affecting many businesses, industries and employment in the area. Several major floods have occurred with the most severe flooding occurring in 1982 and 1985. These resulted in an estimated $5.3 Million and $1.1 Million in damages, respectively. Damage from a 100-year flood is estimated at $20.4 Million.

The recommended plan is the locally preferred plan which would provide 100-year flood protection along Duck Creek. This plan consists of the construction of 14,000 feet of floodwalls and levees in three separate reaches, 1,200 feet of stream relocation and 9,300 feet of riprap channel protection. An abandoned highway bridge at the downstream project limit would be demolished and an existing conrail railroad bridge will be replaced. The project also includes construction of several highway closure structures, pump stations, installation of a flood warning and evacuation system and environmental mitigation. The national economic development plan would provide varying levels of protection along Duck Creek, with some less than 100-year.

Based on october 1993 prices, the estimated total first cost of the project is $14,817,000. The Federal share would be $11,113,000 and

the non-Federal share would be $3,704,000. The non-Federal cosponsors, the city of Cincinnati and the village of Fairfax, have expressed their support for the project.

Using a 50-year period of economic analysis and the current interest rate of 8 percent, average annual cost is $1,445,000 and average annual benefits are $1,783,000. The resultant benefit-cost ratio is 1.2.

The report of the Chief of Engineers is currently under preparation.

Pond Creek, Kentucky

This report concerns flood control improvements to Pond Creek, Kentucky and was prepared in response to a Senate Environment and Public Works Committee resolution dated 5 May 1987.

The Pond Creek basin, which has a drainage area of 126 square miles, is located in the southern metropolitan region of Louisville in Jefferson County, Kentucky. The study focused on flooding problems on Pond Creek and its tributaries including Northern and Southern Ditches, Greasy Ditch, Slop Ditch, and Fishpool Creek.

The Pond Creek floodplain is subject to frequent flooding affecting many residences and commercial structures. Approximately 3,800 properties exist in the 100-year flood plain with a value estimated at $690 million. Flood damages which would result from a 10-year and a 100-year frequency flood event are $4.6 million and $98 million, respectively. The existing topography and rapid growth patterns in the study area combine to create the potential for severe flooding problems. Average annual flood damages total $4.7 million.

The recommended plan would consist of constructing two detention basins including an 80 acre basin adjacent to Northern Ditch and a 40 acre basin adjacent to Fishpool Creek. The project also includes channel enlargement along portions of Pond Creek and Northern Ditch, construction of a multipurpose maintenance road/hiking and bicycle trail along the Pond Creek channel, and wetlands restoration at a site adjacent to Southern Ditch.

Based on October 1993 prices, the estimated total first cost of the project is $16,374,000. The Federal share would be $11,039,000 and the non-Federal share would be $5,335,000. Using a 50-year period of economic analysis and the current interest rate of 8 percent, average annual costs are $1,661,000 and average annual benefits are $3,838,000. The resultant benefit-cost ratio is 2.3. The recommended project is the national economic development plan.

The Louisville and Jefferson County Metropolitan Sewer District has agreed to act as the non-Federal sponsor for this project. The

report of the Chief of Engineers is currently under preparation.

Wolf Creek, Kentucky

This report concerns hydroelectric power improvements to Wolf Creek Dam, Lake Cumberland, Kentucky and was prepared in response to a Senate Environment and Public Works Committee resolution dated 9 September 1982.

Wolf Creek Dam and Lake Cumberland are situated on the Cumberland River near the city of Jamestown in south-central Kentucky. Wolf Creek Dam controls a drainage area of 5,800 square miles and impounds a large multipurpose reservoir known as Lake Cumberland.

The Wolf Creek project, which has an existing hydropower capacity of 270 megawatts, operates primarily to meet load power demands and full advantage has not been taken of the large amount of storage available at the project. Power generated at Wolf Creek is marketed by the Southeastern Power Administration (sepa) and additional capacity is needed to meet future demands in the market area. A portion of the additional capacity needed would be provided by uprating the Wolf Creek powerplant, thereby offsetting or postponing the need to construct new plants that use costly nonrenewable resources, such as natural gas and fuel oil.

The recommended plan would consist of uprating the existing capacity to 390 megawatts by replacing key electrical and mechanical components within the hydroelectric units, which will result in higher generating efficiencies and greater peaking capabilities.

Based on October 1993 prices, the estimated total first cost of the project is $49,200,000. Non-Federal sponsors will provide 100 percent of the cost of uprating the hydroelectric units.
Using a 50-year period of economic analysis and the current interest rate of 8 percent, the average annual cost is $3,007,000 and average annual benefits are $3,721,000. The resultant benefit-cost ratio is 1.2.

The report of the Chief of Engineers is currently under preparation.

Wilmington Harbor Channel Widening, North Carolina

This report concerns commercial navigation improvements at Wilmington Harbor, North Carolina and was prepared in response to a House Public Works and Transportation Committee resolution dated 8 September 1988.

Wilmington Harbor is located between New Hanover and Brunswick

Counties on the Cape Fear River. The current channel widths are inadequate for the larger vessels now calling at the port of Wilmington. The two principal problems identified are: (1) a need for widening, and (2) a need for construction of a passing lane at a central location between the port and the Atlantic Ocean.

The recommended plan consists of widening five turns and bends and construction of a passing lane 6.2 Miles long. Based on October 1993 prices, the estimated total first cost of the project is $22,000,000. The Federal share would be $14,696,000 and the non-Federal share would be $7,304,000. Using a 50-year period of economic analysis and the current interest rate of 8.0 percent, average annual costs are $2,145,000 and benefits are $3,238,000. The benefit-cost ratio is 1.5.

The North Carolina Department of Environment, Health, and Natural Resources, Division of Water Resources has agreed to be the non-Federal sponsor and has expressed support for the recommended plan. The report of the Chief of Engineers is currently under preparation.

Palm Valley Bridge Replacement, St. Johns County, Florida

This report concerns the replacement of the Palm Valley Bridge in St. Johns County, Florida and was prepared in response to a House Public Works and Transportation Committee resolution dated September 8, 1988.

The Palm Valley Bridge is located in St. Johns County, Florida, approximately 40 miles south of the city of Jacksonville, where County Road 210 crosses the Atlantic Intracoastal Waterway (AIWW).

The bridge was constructed in 1937. Vehicle widths and weights have increased since 1937 causing the bridge's roadway width and load limit to become obsolete. Conditions on the bridge are especially hazardous for large vehicles, such as school buses and trucks crossing in different directions. By Federal and State transportation agency standards the bridge is termed "functionally obsolete".

The recommended plan would replace the existing bridge with a two lane, high level fixed-span bridge with a vertical clearance of 65 feet for navigation. Construction of the new bridge includes removal of the old structure and establishing the width of the waterway consistent with authorized upstream and downstream dimensions. Mitigation involves restoration of low to moderate wetland habitat to high value habitat on state lands within the adjacent Guana River Wildlife Management Area.

The plan would satisfy existing and future needs in the area. Based on October 1993 prices, the estimated total first cost of the

project is $15,176,000 and it would be at 100 percent Federal cost. Using a 50-year period of economic analysis and the current interest rate of 8 percent, average annual costs are $677,000 and benefits are $904,000. The resultant benefit-cost ratio is 1.3.

The county of St. Johns is the non-Federal sponsor and supports the recommended plan. The report of the Chief of Engineers is currently under preparation.

San Lorenzo River, California

This report concerns improvements for flood control along the San Lorenzo River in Santa Cruz, California. This report is in response to a House Public Works Committee resolution adopted April 1978 and section 829 of the Water Resources Development Act of 1986 (Public Law 99-662).

There is a long record of flooding along the San Lorenzo River. Most recently in 1982, a major event occurred causing one span of the Soquel Avenue Bridge to collapse. With the water surface reaching to within three feet of the top of levee, this event was significantly larger than any other event that had occurred since construction of the existing project. The area subject to flooding includes over 1100 residential structures, about 300 commercial structures, and the principal commercial district of the city. The total value of flood plain property is about $600 million. Damages for the 50-year and 100-year flood events are estimated to be $57 mllion and $83 million, respectively.

The recommended plan consists of constructing floodwalls on top of the existing levees along the San Lorenzo River, modification to two bridges and dredging as much as 75,000 cubic yards of sediment from the channel.

The total first cost of the project, based on October 1993 prices, is $15,700,000. Using a 100-year period for economic analysis and a discount rate of 8 percent, average annual cost is $1,740,000 and average annual benefits are $2,220,000. The resultant benefit to cost ratio is 1.3.

The city of Santa Cruz, the local sponsor, strongly supports the project. The report of the Chief of Engineers is currently under preparation.

PROJECT MODIFICATIONS

Cape Girardeau-Jackson Metropolitan Area, Missouri

This project is located in Cape Girardeau County, in southeastern

Missouri, along the right bank of the Mississippi River between river miles 50 and 55 above the Ohio River. The project provides flood damage protection measures in the Cape Girardeau area along Cape La Croix Creek and its tributaries.

The project was authorized by section 401(a) of the Water Resources Development Act of 1986 (WRDA 86). However, authorization for an increased project cost is necessary since the cost of the project now exceeds the project cost limit provisions of Section 902 of WRDA 86. The project cost has increased from the authorized cost of $25,100,000 to $44,200,000, an increase of $19,100,000.

There has been no change in project scope since it was authorized. The increase in project costs can be attributed to construction contract complications, increased planning engineering and design work and increased land costs. A local cooperation agreement was signed on 31 May 1990. The project was 52 percent complete as of 31 April 1994.

The recommended project includes a 157 acre dry detention reservoir; 1 mile of channel improvement on Cape La Croix Creek and 2 miles of channel improvement on Walker Branch, 8 bridge replacements, non-structural features and recreation trails and facilities. The project will provide a 100 year level of protection.

The non-Federal sponsor, the city of Cape Girardeau, strongly supports the project and has indicated that it has sufficient funds to pay its share of the increased costs.

Total first cost of the project is $44,200,000 at October 1993 price levels of which $11,900,000 would be non-Federal. At the current interest rate of 8 percent and a 100-year economic life, the average annual benefits are $3,076,500 and the average annual costs are $3,005,200. The resultant benefit to cost ratio is 1.02. The recommended plan is the NED plan.

The post authorization change report is currently undergoing Washington level review.

Ramapo River at Oakland, New Jersey

This report concerns a project for flood damage prevention in Oakland, New Jersey, located 25 miles northwest of New York City, along the Ramapo River in Bergen and Wayne Counties and at Pompton Lakes in Passaic County.

The project was authorized by Section 401 of the Water Resources Development Act of 1986 (WRDA 86). However, authorization for an increased project cost is necessary since the cost of the project now exceeds the project cost limit provisions of Section 902 of

WRDA 86. During the preconstruction engineering and design stage, channel and gate project features were redesigned to respond to changed conditions. The project cost has increased from the authorized cost of $6,540,000 (at October 85 price levels) to $10,800,000 (at October 1993 price levels), an increase of $4,350,000.

The recommended project consists of widening the Ramapo River to 100-foot-wide channel bottom downstream of Potash Lake and to 40-foot-wide bottom width upstream of Potash Lake. The Pompton Lake Dam will be modified by replacing a portion of the fixed weir with two tainter gates. Mitigation of the environmental impacts of the plan include the creation of five acres of wetland in Potash Lake. The project will provide a 40 year level of protection.

The non-Federal sponsor, the City of Oakland, strongly supports the project and has indicated that it has sufficient funds to pay its share of the increased costs.

Total first cost of the project is $10,800,000 at October 1993 price levels of which $2,675,000 would be non-Federal. At the current interest rate of 8 percent and a 100-year economic life, the average annual benefits are $1,025,000 and the average annual costs are $818,000. The resultant benefit to cost ratio is 1.3. The recommended plan is the NED plan.

The general design memorandum is currently undergoing Washington level review.

North Branch Chicago River, Illinois

This report concerns improvements for flood control in the North Branch Chicago River, Illinois basin. The project was authorized in Section 401(a) of the 1986 Water Resources Development Act (Public Law 99-662). However, authorization for an increased project cost is necessary because the cost of the project now exceeds the project cost limit provisions of Section 902 of the 1986 Act.

The authorized project provides for constructing two excavated floodwater storage reservoirs, numbered 27 and 29a, on the West Fork and one excavated reservoir, numbered 15, on the Middle Fork of the North Branch Chicago River. The project also provided for reimbursement of non-Federal interests for 50 percent of the costs of the planning and construction which they completed for three existing reservoirs on the West Fork, known as the Techny Reservoirs, and the existing Mid Fork Reservoir on the Middle Fork. The three reservoirs constructed by the Corps of Engineers, numbers 15, 27, and 29a, will prevent average annual urban flood damages estimated at $3.1 Million.

During a 50-year period of economic analysis and the current discount rate of 8 percent, the average annual benefits of the project are $3,187,000 and the average annual costs are $2,380,000. The benefit-cost ratio for the three reservoirs is 1.3. The plan continues to be the NED plan.

The scope of the project is the same today as when authorized. Four local cooperation agreements with three different sponsors were executed for this project. Reservoirs number 07 and 15 were substantially completed and placed in operation in June 1990 and May 1991, respectively. Reservoir number 292 is presently 92 percent complete. Reimbursement of non-Federal interests for their work in connection with the Tenmy and Mid Fork Reservoirs was completed in July 1990.

The project's cost has increased from the authorized cost of $[illegible] to $14,800,000. The increased project costs are attributable to increases in land values, reimbursements for the Tenmy and Mid Fork Reservoirs and engineering, design and construction costs.

In accordance with Section 902, the maximum cost for the project is $25,731,000. To allow for construction of the project to be completed, reauthorization of the project is needed at the new cost of $34,800,000. The estimated Federal cost of the project is $20,[illegible],000. The estimated non-Federal cost is $14,026,000.

The non-Federal sponsors have been very supportive of this project and have furnished the local funds needed to complete the project.

The report is currently under review by the administration.

Saw Mill Run, Pennsylvania

Saw Mill Run is a small tributary of the Ohio River located in the City of Pittsburgh, Allegheny County, Pennsylvania. The project area is located on the lower end of Saw Mill Run through the west end section of the City of Pittsburgh.

The project was authorized by Section 401(a) of the Water Resources Development Act of 1986 (WRDA 86). However, authorization for an increased project cost is necessary since the cost of the project now exceeds the project cost limit provisions of Section 902 of WRDA 86. The project cost has increased from the authorized cost of $7,850,000 to $12,140,000, an increase of $4,290,000.

The Saw Mill Run flood protection project was originally developed in 1974 but not authorized until 1986. Because of the time lapse between project formulation and authorization, a reevaluation study was conducted and completed in January 1994. It indicates that the

recommended project, which would provide 50-year level of flood protection, is no longer economically justified and a new plan is now recommended. The increase in project costs can be attributed to project design changes necessary to identify an alternative project that would provide a reasonable level of protection.

The recommended plan would provide a 50-year level of protection along Saw Mill Run and would consist of channel deepening and widening from its mouth a distance of 4,700 feet upstream. Proposed channel side-slopes would be protected with concrete revetment mats and retaining walls. The existing downstream channel bottom within three existing large concrete arch culverts beneath a highway and two railroad embankments, would also be protected with concrete revetment mats to prevent scour and sedimentation. The recommended plan also includes removal of the Plank Street bridge, utility relocations, and installation of a flood warning system.

Based on October 1980 prices, the estimated total first cost of the project is $11,140,200. The Federal share would be $9,205,300 and the non-Federal share would be $1,935,100. The non-Federal sponsor, the city of Pittsburgh, strongly supports the project and has indicated that it has sufficient funds to pay its share of the project costs.

Using a 50-year period of economic analysis and the current interest rate of 8 percent, average annual costs are $1,001,000 and average annual benefits are $1,[illegible],000. The resultant benefit-cost ratio is 1.1. The recommended plan is the national economic development plan.

The post authorization change report is currently being reviewed by the administration.

Wilmington Harbor, Northeast Cape Fear River, North Carolina

This report concerns commercial navigation improvements at Wilmington Harbor, North Carolina. Wilmington Harbor is located between New Hanover and Brunswick Counties in the Cape Fear River.

The project was authorized by Section 202 of the Water Resources Development Act of 1986 (WRDA 86). However, authorization for an increased project cost is necessary since the cost of the project now exceeds the project cost limit provisions of Section 902 of WRDA 86. The project cost has increased from the authorized cost of $12,000,000 to $48,600,000 an increase of $36,600,000.

Preconstruction engineering and design (PED) studies have demonstrated that the authorized project should be changed to maximize net national economic development (NED) benefits. The principal changes consist of increasing the recommended project depth from the authorized depths (35, 32, and 25) to 38 feet, and

the addition of a mitigation component to the project.

The recommended plan would deepen the navigation channel, for the reach from the Cape Fear Memorial Bridge to the NC 133 Highway Bridge, approximately 9,200 feet, from 35 feet to 38 feet plus 1 foot of required overdepth and 1 foot of allowed overdepth. The navigation channel from the NC 133 Highway Bridge to the Hilton Railroad Bridge for a distance of approximately 2,600 feet would be deepened from 32 feet to 38 feet. The navigation channel from the Hilton Railroad Bridge to a point approximately 750 feet upstream will be deepened from 25 feet to 38 feet. The project would also widen the Fourth East Jetty Channel 100 feet to the west at the existing 38 feet for a distance of about 8,000 feet. An environmental mitigation plan is also included and consists of constructing a 17.4 acre embayment to offset loss of estuarine bottom and primary nursery areas

The project would meet present and anticipated requirements of deep-draft navigation and is the NED plan. Based on October 1993 prices, the estimated total first cost of the project is $49,600,000. The Federal share would be $24,400,000 and the non-Federal share would be $25,200,000.

Using a 50-year period of analysis and the current interest rate of 8 percent, average annual costs are $3,958,000 and benefits are $6,101,000. The resultant benefit-cost ratio is 1.5. The state of North Carolina is the non-Federal sponsor and supports the recommended plan.

The supplement to the general design memorandum is currently under review by the administration.

Upper Jordan River, Utah

This report concerns improvements in the Jordan River basin, along Mill Creek, located just south of the Salt Lake City, Utah, metropolitan area. The project was authorized by the Water Resources Development Act of 1990 (Public Law 101-640). However, authorization for an increased project cost is necessary because the cost of the project now exceeds the project cost limit provision of Section 902 of the 1986 Act.

The authorized project provides for a flood control diversion and sediment structure on Mill Creek above Highland Drive, and a 7,440 foot long, 96-inch diameter conduit from the diversion structure into a proposed Hillview Detention Basin south of Mill Creek. Existing wetlands would be expanded and planted with aquatic and terrestrial species. The fill area would be revegetated to provide a natural appearance that is consistent with the surrounding habitat.

The scope of the project is the same today as when authorized. However, the project's cost has increased from the authorized cost of $7,900,000 to $12,100,000. The increased project costs are attributable to: price level increases, reassessment of relocation and real estate requirements, mitigation cost increase, and increased cost of preconstruction engineering and design. The estimated Federal cost of the project is $8,000,000. The estimated non-Federal cost is $4,100,000. Using a 100-year period for economic analysis and a discount rate of 8 percent, average annual costs are $1,280,000 and the average annual benefits are $3,730,000. The benefit-to-cost ratio is 2.9. The local sponsor, the County of Salt Lake, strongly supports the project.

The general design memorandum is currently under review at the Washington level.

Oakland Inner Harbor, California

This report concerns navigation improvements at Oakland Inner Harbor, California. The project was authorized in Section 201(b) of the 1986 Water Resources Development Act (Public Law 99-662). However, authorization for an increased project cost is necessary because the cost of the project now exceeds the project cost limit provision of Section 902 of the 1986 Act.

The authorized project provides for deepening the existing Oakland Inner Harbor channel from 35 feet to 42 feet. The deeper channel will reduce average annual navigation costs by an estimated $21,000,000. An incremental deepening of the inner harbor channel from 35 feet to 38 feet was accomplished in 1992.

The scope of the project is the same today as when authorized. However, the project cost has increased from the authorized cost of $28,100,000 to $91,500,000. The increased project costs are attributable to: a change in disposal sites, from the in-bay Alcatraz site to deep ocean, upland and sanitary landfill; a need to perform extensive dredge material quality testing; an increase in lands, easements, rights-of-way, relocations, and disposal area requirements; and increase in preconstruction engineering and design costs.

The estimated Federal cost of the project is $53,000,000. The estimated non-Federal cost is $38,500,000. Using a 100-year period for economic analysis and a discount rate of 8 percent, average annual costs are $8,930,000 and average annual benefits are $21,000,000. The resultant benefit to cost ratio is 2.4. The non-Federal sponsor, the Port of Oakland, has been very supportive of this project.

The general design memorandum is currently under Washington level review.

Sonoma Baylands Wetlands, California

This report concerns improvements for restoration of wetlands at the Sonoma Baylands Wetlands site in Sonoma County, California. The project was authorized by section 106 of the Water Resources Development Act of 1986 (Public Law 99-662). However, authorization for an increased project cost is necessary because the cost of the project now exceeds the project cost limit provision of Section 902 of the 1986 Act.

The authorized project provides for establishment of 360 acres of wetlands including levees and operational areas. Creation of the wetlands will require approximately 2,800,000 cubic yards of fill material to be provided by construction of Oakland Harbor and maintenance dredging of the Petaluma River Channel, construction of approximately 14,000 feet of levees, and another 14,000 feet of interior peninsulas. Fluctuation of water levels within the wetlands will be controlled by the installation of three weirs.

The scope of the project is the same today as when authorized. However, the project's cost has increased from the authorized cost of $20,000,000 to $28,700,000. The authorized project cost was not based on a plan or cost estimate prepared by the Corps of Engineers. The cost for constructing the Sonoma Baylands Wetlands project is based on October 1993 price levels and current construction practices and methodology.

To allow for construction of the project, reauthorization of the project is needed at a new cost of $28,700,000. The estimated Federal cost of the project is $21,500,000. The non-Federal cost is $7,200,000. Using a 50-year period for economic analysis and a discount rate of 8 percent, average annual costs are $2,450,000. Since the project is solely environmental restoration, there is no traditional benefit cost analysis.

The California State Coastal Conservancy, the local sponsor, strongly supports the project, has acquired the necessary project lands, and has approved funds for meeting the requirements for project construction.

The general design memorandum is currently under Washington level review.

Arkansas City, Kansas

The next report concerns flood protection improvements along the Arkansas and Walnut Rivers at Arkansas City, Kansas.

The project was authorized by the Water Resources Development Act of 1986. However, authorization for an increased project cost is

necessary because the cost of the project now exceeds the maximum cost established by Section 902 of the 1986 Act.

The project will provide increased flood protection along the Arkansas and Walnut Rivers to the city of Arkansas City and surrounding area totalling 2,100 acres. The affected area contains properties valued at $743 million. Eight major floods occurred between 1877 and 1957. Levees built in the 1920's provide 45- to 75-year protection. Average annual damages are estimated at $8.5 million.

The project consists of levee and channel improvements to provide protection against the standard project flood. The scope of the project is the same today as when authorized. The project cost has increased due to changes in the cost of real estate, relocations, and levee construction. Channel improvement construction costs have decreased, but not enough to offset the increases in the other project features.

The project cost has increased from the authorized cost of $14.5 million to $35.7 million. Based on a 100-year period of analysis and 8 percent interest rate, average annual costs are $3.5 million, average annual benefits are $7.98 million, and the benefit-cost ratio is 2.3. The recommended plan is the NED plan.

The non-Federal share of the project is $9.1 million. The non-Federal sponsor, the city of Arkansas City, Kansas, continues to support the project.

The post authorization change report is under Washington level review.

Halstead, Kansas

The next report concerns flood protection improvements along the Little Arkansas River at Halstead, Kansas.

The project was authorized by the Water Resources Development Act of 1986. However, authorization for an increased project cost is necessary because the cost of the project now exceeds the maximum cost established by Section 902 of the 1986 Act.

The project will provide flood protection along the Little Arkansas River to the City of Halstead and surrounding area totalling 1,660 acres. The affected area contains properties valued at $197 million. Eight major floods occurred between 1877 and 1979. Average annual damages are estimated at $1.4 million.

The project consists of levee and channel improvements to provide protection against the standard project flood. The scope of the project is the same today as when authorized. Construction is more

than 80 percent complete. The project cost has increased due to: (1) increased costs of land acquisition and relocations; (2) modifications to minimize impacts to environmental and cultural resources; (3) increased excavation of unsuitable materials; and (4) associated increases in planning, design, and management efforts.

The project cost has increased from the authorized cost of $7.2 million to $11.6 million. Based on a 100-year period of analysis and 8 percent interest rate, average annual costs are $1.04 million, average annual benefits are $1.37 million, and the benefit-cost ratio is 1.3. The recommended plan is the NED plan.

The non-Federal share of the project is $2.9 million. The non-Federal sponsor, the city of Halstead, Kansas, continues to support the project and has the funds needed for its share of the project.

The post authorization change report was transmitted to Congress on 19 August 1993 by the Assistant Secretary of the Army (Civil Works).

DEPARTMENT OF THE ARMY

OFFICE OF THE ASSISTANT SECRETARY OF THE ARMY (CIVIL WORKS)

COMPLETE STATEMENT

OF

JOHN H. ZIRSCHKY

ACTING ASSISTANT SECRETARY OF THE ARMY (CIVIL WORKS)

BEFORE THE

WATER RESOURCES AND ENVIRONMENT SUBCOMMITTEE

OF THE

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

UNITED STATES HOUSE OF REPRESENTATIVES

ON THE

WATER RESOURCES DEVELOPMENT ACT OF 1994

June 22, 1994

Mr. Chairman and Members of the Subcommittee, I am John Zirschky, Acting Assistant Secretary of the Army for Civil Works. I am pleased to be here today to testify on the Administration's proposal for the Water Resources Development Act of 1994, and other water resources issues. Accompanying me is Jimmy Bates, Deputy Director of Civil Works for the Army Corps of Engineers.

The Administration has recently submitted to Congress a legislative proposal as the basis from which to develop a Water Resources Development Act (WRDA) of 1994. I wish to thank Chairman Mineta of the full committee and Chairman Applegate of this subcommittee for introducing our proposal at our request as H.R. 4460.

Today, I will address the Administration's views on why the nation needs a Water Resources Development Act of 1994, what we believe should be the guiding principles for such legislation, and summarize the content of the Administration's legislative proposal. I will provide an update on our efforts to rebuild the flood control infrastructure following last year's record-setting flood in the Midwest and on the progress of the Interagency Floodplain Management Review Task Force. I will also briefly discuss our experiences on such key issues as Corps emergency management actions, project management, partnerships with non-Federal project sponsors, water resource management and environmental initiatives, implementation of previous water resources development acts, and restructuring of the Corps of Engineers. Following my testimony, Mr. Bates will discuss in some detail those studies for which we have nearly completed Administration review. From this group, we would recommend projects that we could support in a WRDA this year.

WHY WE NEED A WRDA 94

There are three major reasons why a water resources development act is important this year. The first is related to the concept of non-Federal project cost sharing which was at the heart of the compromise reached in 1986 to put the water resources development program back on track after a 16 year stalemate between Congress and the Executive Branch. We believe we have a responsibility to the non-Federal project sponsors who have been doing their part by sharing feasibility study costs and committing to share construction costs. On our part, we must proceed in good faith to seek timely authorization for justified projects. Any perceived reluctance on the part of the Federal government to press for authorization of justified projects would represent a default on the part of the Federal government to fulfill our share of the partnership.

Second, by producing a Water Resources Development Act in 1994, the Administration and the Congress will be reaffirming our commitment to the two-year cycle of authorizing water resources projects and programs. This commitment began with the landmark

Water Resources Development Act of 1986 which formed the basis for the succeeding Acts in 1988, 1990, and 1992. The Administration believes that a biennial project authorization process is critical to conducting an orderly and manageable water resources program.

Third, a water resources development act is the best vehicle for obtaining necessary legislation to authorize the water projects which our studies have shown to be good investments of Federal and non-Federal money. Legislation is also necessary to fine tune our programs to make them more effective and efficient, and to provide an opportunity to keep up with changing program demands.

The Administration is willing to work with Congress to develop legislation which is acceptable to Congress and the Administration.

SUMMARY OF THE ADMINISTRATION'S LEGISLATIVE PROPOSAL (H.R. 4460)

The recently submitted legislative proposal, introduced as H.R. 4460, does not include any new project authorizations or project modifications. The Administration, however, does propose to submit over the next few months new project authorization and project modification proposals. There are 15 feasibility reports for new projects and reports on 10 project modifications that are currently under review and may be appropriate for consideration for authorization this year. The total cost of these new projects is approximately $704 million, and the modifications have a total increased cost of $183 million.

Our recently submitted proposed legislation (H.R. 4460) includes 18 general provisions. Nine of these general provisions were previously in our legislative program for 1992, but were not enacted into law as part of WRDA 92. It is our understanding that most of these provisions were dropped from WRDA 92 because they would have required review by multiple committees in either the Senate or the House and insufficient time was available for sequential referral. These are still worthwhile provisions and we urge their enactment this year.

There are also 9 new general provisions this year that will enhance the Corps efficiency and effectiveness. The estimated savings to be derived from the 18 general provisions in the current proposed legislation is $12 million annually. The estimated total cost to implement the present proposal, not including the potential new projects or project modifications is $6.5 million annually.

Features of the 1994 program include:

- several provisions to enhance our ability to accomplish environmental protection and restoration
- two provisions to enhance research and development technology as it applies to the Corps Civil Works program

- two provisions pertaining to dam safety, one that reauthorizes the Corps national inventory of dams and one that clarifies cost sharing of repair work
- a provision that allows for increasing the authorized power output at a hydropower facility in connection with normal equipment modernization whenever an increase is economically justified and environmentally sound, and other project purposes are not adversely impacted
- a regulatory fees provision
- two provisions pertaining to engineering innovations and interagency and international support.

The proposal includes two provisions necessary to implement the initiatives included in the President's Fiscal Year 1995 budget. Those provisions which support the President's budget are establishing reasonable charges for regulatory activities and reauthorization of appropriations for the national inventory of dams.

PRINCIPLES FOR DEVELOPING A WRDA

As this Committee well knows, there are pressing public demands for water resources development throughout the country. We believe we can meet legitimate needs during these times of fiscal austerity by adhering to the following guiding principles:

- Preservation of Cost Sharing
  At the heart of the WRDA 86 were the beneficiary pay reforms which included cost sharing. This concept made local sponsors active participants in the water resources development process and revitalized the program. Cost sharing serves as a market test of a project's merits and insures active participation by project sponsors. We have found it to be an eminently successful policy.
- Expansion of the Beneficiary Pay Concept
  Water resources development bestows substantial economic benefit and in more recent years environmental benefit to some segments of society. It is reasonable and fair therefore to require those beneficiaries to share in the costs of providing the benefits.
- Adherence to the Budget
  When faced with budget deficits, we must be especially prudent in our decisions to authorize new Federal projects that create a future potential for appropriations. The Nation's water resources infrastructure must be maintained and improved to meet future needs, but in consonance with other national priorities.

- Authorization of Justified Projects That Have Completed Administration Review

  To justify the authorization of appropriations of constrained Federal dollars, the Government must assure the public that a proposed project has passed a full technical review and is in accord with the Federal policies established to set priorities for the use of those funds.

- Authorization of Projects That Clearly Have a Federal Role

  Budgetary constraints and the desire for projects that have the greatest need for Federal assistance to move quickly through the study and construction process have required prioritization of project purposes. The most pressing priorities are for projects that provide for commercial navigation, flood damage reduction, hurricane and storm damage reduction, and ecosystem restoration. Projects for purposes of developing vendible products such as hydropower and water supply should be funded 100 percent by non-Federal interests. We are, however, discussing within the Administration what an appropriate role might be to consider Federal technical assistance in all water resources development areas.

These principles are essential to a stable and responsible water resources development program which will provide to the public the maximum effectiveness and efficiency in the use of its tax dollars. These were our principles as we developed our full legislative program which has been introduced as H.R. 4461. I ask you for your support of these principles and H.R. 4461.

HIGHLIGHTS OF THE ADMINISTRATION'S WRDA 94 PROPOSAL (H.R. 4461

The legislative program has many important sections. I will highlight for you what I believe are the highest priority provisions.

Cost sharing of Environmental Projects

We believe one of the most important provisions is for explicit legislative endorsement for cost sharing requirements for environmental restoration projects. As a matter of policy, we have been requiring this type of cost sharing since 1988. When general cost sharing formulas were developed in 1986, environmental restoration projects were not a part of the Army Civil Works program. However, section 1135 of the Water Resources Development Act of 1986, the first specific environmental restoration program, required cost sharing at 75 percent Federal and 25 percent non-Federal. That program has been modified in each biennial Water Resources Development Act. However, it is limited in scope to modification of projects constructed by the Corps, and the individual project cost and annual appropriations are capped. The Coastal Wetlands Planning

Protection, and Restoration Act, commonly known as the Breaux-Johnston Bill, also recognizes 75 percent cost sharing for wetlands restoration projects. There are other authorities for studies which we have been pursuing for projects which are outside the statutory limits of section 1135 and which fall outside the scope of the Breaux-Johnston Bill authority. In those cases, we would seek individual legislative authority on a project-by-project basis. This approach is analogous in some respects to the continuing authorities program where the Corps has general authority to proceed with small projects up to certain Federal cost limits and seeks specific legislative authority for projects which exceed those cost limits.

We believe that cost sharing is such a powerful tool that we have pursued other environmental restoration projects with 75/25 cost sharing required as a matter of policy. We find that cost sharing is a widely accepted policy principle and that it works every bit as well with environmental projects as it does for navigation and flood control projects. For example, we have voluntary cost sharing environmental restoration projects under way at Bonnet Carre, Caernarvon, and Davis Pond in Louisiana. In addition, we have a cost shared environmental study under way for the Anacostia River, and we anticipate cost shared studies for Reelfoot Lake, Tennessee, and Alexander and Pulaski Counties, Illinois. We strongly urge Congress to adopt this cost sharing provision and to continue to support the Corps' environmental initiatives and programs.

Engineering and Environmental Innovations of National Significance and Interagency and International Support

These provisions recognize the critical importance of the ability of the Army Civil Works program to be ready to respond to future needs and demands for environmentally sound engineering solutions or innovative environmental solutions to problems of national significance and to work in interagency and international efforts to provide wise management of the nation's and the world's water resources. Currently there is no clear authority for the Corps to utilize its multifaceted resources to undertake significant preparatory work to respond to such emerging national and international challenges. These provisions will provide that authority and will represent a giant step forward in the Corps' ability to "get ready to be ready" as the country and the world move towards the 21st Century.

We have managed to find existing authorities and funding sources to pursue these kinds of activities in crisis cases, but as the nation moves toward integrating water resources activities into broader environmental considerations, a clear unequivocal authority and funding source are critical to quality and timely support for such activities. Examples of activities where this proposed provision would have been useful include support to the Interagency Panel on Climate Change, support to the State Department on the Middle East Peace Talks (water resources issues) and Bangladesh flooding, and support to Environmental

Protection Agency on its Country Studies Initiative. In this last example, we had to decline participation due to a lack of clear authority.

This provision will serve to enhance the Corps ongoing partnering initiatives with other Federal agencies, states, or other non-Federal entities.

Expansion of the Section 1135 Program

This provision expands the authority provided in section 1135 of the Water Resources Development Act of 1986 as amended to allow the Corps to implement small fish and wildlife habitat restoration projects in cooperation with non-Federal interests in those situations where a project constructed by the Corps has contributed to the degradation of the quality of the environment.

We have worked hard to make maximum use of this authority, but have found that interpretations of existing statutory language have limited the Corps' ability to approve some projects which have been nominated. Under current law, the Corps is limited to modifications of existing structures and operations of water resources projects in carrying out a section 1135 project. The proposed provision would allow the Corps to undertake measures for restoration of environmental quality when the Secretary determines that operation of the project has contributed to the degradation of the quality of the environment even if that degradation occurred in areas not immediately in the vicinity of the project structures, and even if the remedy did not involve a direct modification of project structures or operation.

This provision also clarifies that the monetary limit for each section 1135 project is a limitation only on the amount of money the Federal government can expend on a single project.

Regulatory Fees

This provision authorizes the Secretary of the Army to establish and collect fees to the extent provided in appropriations Acts, for the evaluation of commercial permit applications and to recover costs associated with the preparation of Environmental Impact Statements required by the National Environmental Policy Act of 1969 and costs associated with wetlands delineations for major developments affecting the waters of the United States, including wetlands. The fees can be established at rates that would allow only for recovery of receipts at amounts as provided for in appropriation Acts.

The fees collected pursuant to this section would be deposited into a special account established in the Treasury of the United States and would be available for appropriation to the Secretary to cover some of the expenses incurred by the Department of the Army in administering laws pertaining to the regulation of the navigable waters of the United States as well as wetlands.

RESPONSE TO THE MIDWEST FLOOD EVENT OF 1993

The Midwest Flood Event of 1993 was one of the worst floods to hit the Midwest. It had its beginnings in the previous winter, with higher than average snowfall and late seasonal melt-off that saturated the ground. In June, an extraordinary shift in the jet stream trapped rain clouds over the region. The resulting rainfall was 1-1/2 to 3 times the normal precipitation, and it fell on already saturated soil. The rain rapidly ran off into streams and rivers, causing massive flooding in the Upper and Middle Mississippi River basin. During the flood event, the Corps performed emergency navigation and flood control operations throughout the Midwest. During the peak, there were 800 to 1000 personnel supporting the Corps mission. This included not only Corps employees from the affected districts, but personnel deployed from other Corps districts and the Bureau of Reclamation. The Corps supplied communities with 31 million sandbags and 400 pumps, and provided emergency water supply where needed, most notably to Des Moines, Iowa, after its water supply became contaminated. The Corps also performed extensive work for the Federal Emergency Management Agency.

Since the flood, the Corps has been involved in assisting local, state and Federal authorities in the rehabilitation of damaged levees. The estimated cost for repairing damaged levees that are eligible for assistance under the Corps program is about $250 million. As of June 13, repair work had been started or completed on 147 levees, out of an estimated 198 that the Corps expects to be repaired under its program. This includes 36 levees where expedited procedures were used to begin initial repairs which were needed to provide a minimum level of protection until the more extensive, final repairs can be completed.

As part of the rehabilitation program, the Corps, working with other agencies, developed procedures for consideration of alternatives to levee repair. We wanted to make other Federal programs available that might be more desirable than levee repair in certain situations. We were guided by two principles, first, that consideration of alternatives should not be a time consuming process, inhibiting the timely repair of levees where such repair was appropriate, second, that decisions to choose an alternative to levee repair should be made by the affected populations. Given the budget constraints of other agencies and the short time available for creating and implementing this program, we did not find much opportunity to select alternative solutions. Nonetheless, important principles have been incorporated into our program, specifically that we must take the broadest possible view of floodplain management and develop a common Federal strategy across agencies.

We understood that levee rehabilitation should proceed as quickly as possible, especially given the likelihood that flooding would reoccur this Spring. In addition to the guidance in expedited procedures for initial repairs which we issued in

August, we also developed and issued in August a strategy for shortening the advertising/bid process. Other common sense steps were taken without formal guidance. Every effort was made to inspect the levees as soon as physically possible. In some cases, all-terrain vehicles were used since they were the only vehicles that could traverse the saturated lands. Survey crews have fought high water and knee deep mud to gain access to sites, and during the winter, braved sub-zero wind chill factors and below freezing temperatures.

Despite these extensive efforts, it has not been possible to complete all repairs. The primary factor has been the super-saturated soil conditions that have made access to the sites and construction impossible. Not only have many access roads been washed out, but wet conditions at some sites have made even four-wheel drive access impossible. There have been difficulties in some cases in negotiating a cost-sharing agreement with the local levee sponsors and in sponsors obtaining the necessary rights-of-way and borrow areas. Some levee districts have been reluctant to accept changes from the original levee location where we feel that these changes are necessary to provide the most economical replacement and to otherwise protect the Federal interests.

From the beginning we have estimated that it will take until December 1994 to repair levees in the Corps program. The Corps district offices have kept local levee sponsors and congressional interests informed of our progress at individual levee sites. We are committed to completing all rehabilitations as rapidly as possible.

Spring rains this year caused some flooding in a few areas that were flooded last summer. Super-saturated soil conditions continue to plague the entire Midwest and delay the repair work. As part of our plan of action for this spring, we have taken steps to ensure that Corps divisions and districts have sufficient quantities of sandbags and pumps on-hand to respond to new flooding situations that may arise. In addition, internal training and coordination with State and local authorities have been expanded.

INTERAGENCY FLOODPLAIN MANAGEMENT REVIEW TASK FORCE

The damages that resulted from the heavy rainfall and flooding in the Upper Mississippi and Lower Missouri River basins in 1993 were some of the most devastating in the Nation's history. Experience with this flood has caused the Nation to reflect upon the adequacy of our floodplain management policies and infrastructure. In response, the Administration's Floodplain Management Task Force has established the Interagency Floodplain Management Review Committee to undertake a study to examine what happened and why, solicit opinions, and recommend policy changes. The study is focusing on how to achieve risk reduction more effectively, economic efficiency, and environmental enhancement. Several Army personnel were assigned to the committee on a full time basis. The final report is scheduled for release on

July 1, 1994. Copies of the draft report were distributed to Federal agencies, Congress, State Governors, and others for review and comment. The recommendations in the final report will reflect the views of the Interagency Floodplain Management Review Committee and not necessarily those of the Administration. Until the Administration has had time to review the report and consider agency perspectives, there will be no formal position taken on any issue.

RECENT EXPERIENCES IN THE CIVIL WORKS PROGRAM

I will now report on some of our recent experiences in the Civil Works program and the status of several important initiatives of recent WRDA's.

I am pleased to report that the Army's water resources development program is working well. The reforms made in 1986 continue to lead to high-quality, justified projects with cost sharing partners.

In addition to the traditional flood control storm damage prevention, and navigation programs, we have a number of environmental initiatives which place the Corps in good standing as an agency ready and able to address environmental problems with the same engineering and scientific skills used in the traditional missions of flood control and navigation.

Navigation and Flood Damage Reduction Programs

Navigation and flood damage reduction programs continue to serve the Nation with projects having a replacement value of over $130 billion. The Army Corps of Engineers operates and maintains 12,000 miles of commercial navigation channels and 271 locks. These waterways together with the 302 deep draft harbors and 635 shallow draft harbors (coastal and inland), provide the network that handles more than 2000 million tons of cargo annually. The 383 major lakes and reservoirs managed and the 8500 miles of levees emplaced by the Corps are part of a flood damage reduction program that prevents $13.7 billion in average annual damages.

We are all aware that the water resources projects operated by the Corps of Engineers are a vital but aging national resource. The statistics are, to some, stark reminders of our enormous responsibility. The major structures have an average age of over 30 years. Twenty-six of the lock chambers in operation are over 100 years old. By the turn of the century, many of the structures operated by the Corps of Engineers will have reached their design life. As a consequence, major rehabilitation of these Federal public works projects will become an increasingly important subject for this committee, the Administration, and the American public in the future.

Floodplain Management Assessment

In response to a study resolution by the House Public Works and Transportation Committee, the Corps of Engineers recently initiated a study to evaluate floodplain management policies and

actions for the upper Mississippi and lower Missouri Rivers and tributaries. The study will be accomplished on a broad, conceptual basis over an 18 month period. In full coordination with the Interagency Floodplain Management Review efforts described above, it will use a systems approach to floodplain management in order to develop a broad array of long term alternative land and water resource actions. This overall assessment of the floodplains will also provide recommendations for any subsequent detailed studies that may be necessary before specific solutions can be implemented.

Emergency Management Actions

In recent years the Corps of Engineers has responded to numerous hurricanes, typhoons, earthquakes, and floods as part of its emergency management mission. Hurricanes Andrew and Iniki, Typhoon Omar, the Midwest Flood Event of 1993, and the Northridge Earthquake are a few of the major emergencies to which the Corps has responded. The Corps operates under two basic emergency authorities to respond to disasters. One allows the Corps to provide flood fight assistance and repair damaged flood protection structures, and the other is the President's authority to respond to requests for assistance under which the Federal Emergency Management Agency (FEMA) tasks the Corps to perform needed response and recovery actions. I am proud to say that not only have the Federal protective structures operated as designed during the hurricanes and floods, but also the plans and procedures for the Corps emergency response to the affected areas have worked very well.

Responding to these natural disasters brought several hundred Corps employees, several thousand other Federal, state, and local agency employees, and several thousand contractor employees together to accomplish the missions. The Corps' excellent working relationship with these entities was vital to the success of its missions.

Environmental Infrastructure

WRDA 92 included a provision for Army Corps of Engineers assistance in environmental infrastructure and resource protection and development projects including waste water treatment and related facilities and water supply treatment and distribution facilities. Section 219 provided the authority for the Corps to participate, generally on a 75 percent Federal and 25 percent non-Federal basis, in planning and design assistance for specific projects listed in the law. Based on funding for this provision in Fiscal Year 1994, the Corps is contacting potential non-Federal sponsors that have indicated a willingness to participate in the program.

Also, in this fiscal year, funds were provided for a pilot program for design and construction assistance for water related environmental infrastructure and resource protection projects in South Central Pennsylvania under section 313 of WRDA 92. These projects would be cost shared on a 75 percent Federal and 25

percent non-Federal basis. Under section 313, planning is ongoing for water supply improvements in Altoona, Pennsylvania and a sewage treatment facility in Forest Hills, Pennsylvania.

Ability-to-Pay

A continuing issue since enactment of WRDA 86 is the so called "ability-to-pay" principle established by section 103(m) of WRDA 86. The existing rules for determining eligibility for reduction in cost sharing requirements for flood control projects were published in 1989 pursuant to WRDA 86. Congress directed a modified rule in the Water Resources Development Act of 1990 and later halted enactment of the modified rule, giving time to review the issue. The Water Resources Development Act of 1992, directed us to review the existing rule to determine the advisability of modifications that would take into consideration locally prevailing economic conditions, such as those that exist at six project areas specified in the Act. The review report was completed and forwarded to Congress with a recommendation not to modify the rule at this time. However, because of continuing dissatisfaction with the existing rule, we are now reconsidering that recommendation and are beginning the process of revising the regulation.

Ecosystem Restoration -- Separate Authorities

Protecting and enhancing the Nation's environmental assets are a central part of all aspects of the Civil Works mission. Even in the traditional areas of infrastructure improvement for flood damage reduction, navigation and other purposes, the Corps is committed to recommending alternatives and implementing projects with full regard for its responsibilities of environmental stewardship.

We continue to place a high priority on ecosystem restoration and preservation of environmental resources. We have four separately authorized activities under way which are especially noteworthy.

Everglades Ecosystem Restoration -- The National Performance Review (NPR) cites the promise of improved ecosystem management and calls for the development of a series of model initiatives across the Nation to apply the concept in a variety of settings. In September of 1993, we entered into an interagency agreement with the Departments of Interior, Agriculture, Commerce, Justice, and the Environmental Protection Agency to promote and facilitate coordinated Federal actions to restore the Everglades ecosystem. This endeavor may serve as a valuable case study for the larger initiative proposed in the NPR. The Corps will be a major player because its responsibilities for oversight of the Central and South Florida (C&SF) Project which controls the flow of most of the water in South Florida.

Activities under this effort include the West Palm Beach Canal (C-51) and the Canal 111 (C-111) portions of the C&SF project to allow the Corps to modify its design to increase the

amount and quality of water which will be made available to the Everglades ecosystem and to restore more natural flows into Everglades National Park.

In addition, the Corps is conducting a study to evaluate the Central and South Florida Project to determine if other modifications or changes in the project's operation should be made for improving the quality of the environment and protecting the urban water supplies. The most critical concern being addressed in the study is the environmental condition of the Everglades ecosystem including Florida Bay. The reconnaissance phase of the study, which was initiated in June 1993 and is being funded at $1.8 million, is scheduled to be completed in November 1994.

Another part of the Everglades ecosystem restoration effort is the project to restore the Kissimmee River. During the 1960's, the Corps of Engineers constructed the Kissimmee River flood control project in Central Florida between Orlando and Lake Okeechobee. It consisted of canals and water control structures in the upper chain of lakes, and a canal and five water control structures with locks in the lower basin. Since project construction, interest has grown in returning the basin's hydrologic regime to its natural condition. Presently there is no natural river flow in the basin and not enough water in the lower basin for wetland restoration. As part of the project, the riverine ecosystem is being restored in the lower basin by backfilling about 30 miles of the canal and removing three structures and locks. The plan includes restoration of the upper lakes that will enable their operation over a wider, more natural range of water levels. In this way, the peripheral wetlands would be enhanced and the natural timing of flows to the lower basin would be restored. Cost sharing for this project is 50-50 with non-Federal interests also paying 100 percent for all additional locally preferred betterments included in the project. Engineering and design work is continuing on this project which, including the upper basin revitalization plan, has a total estimated cost of $667 million.

Upper Mississippi River System Environmental Management Program (UMRS-EMP) -- The UMRS-EMP is a 15-year program with a total funding level of $290.1 million. The Fiscal Year 1994 appropriation is $19.455 million. The program's two primary components are the Habitat Rehabilitation and Enhancement Projects and the Long Term Resource Monitoring Program. Habitat projects amount to about 65 percent of the total program costs. About 14,000 acres of fish and wildlife habitat on the upper Mississippi River have already benefited from the completion of 13 projects, construction is ongoing at 5 other sites, and contract awards or construction approval are pending at 11 additional sites. The long term monitoring portion of the UMRS-EMP is fully operational with six state-operated field stations and an Environmental Management Technical Center now established by the U.S. Fish and Wildlife Service. My office recently

delegated authority to the Corps North Central Division commander for approval of proposed habitat projects that cost $2 million or less.

Missouri River Fish and Wildlife Mitigation -- This project is to mitigate losses to fish and wildlife resulting from construction and operation of the Missouri River Bank Stabilization and Navigation project. The mitigation effort will preserve and/or restore riverine aquatic and bottomland terrestrial habitat in the Missouri River Valley where similar habitat has been depleted as a result of construction and operation actions. Project authorization provides for acquisition and development of 29,000 acres of privately owned land, along with development of an additional 18,200 acres of public land. The project is in the third year of construction, with completion scheduled for 1999.

Anacostia River Wetlands Restoration and Habitat Improvement Project -- The wetlands and fish and wildlife habitat along the Anacostia River are being addressed in two Corps initiatives -- a feasibility study under General Investigations and a project under authority of section 1135 of WRDA 86. The feasibility study, conducted to address restoration of wetlands and fish and wildlife habitat damaged by the initial flood damage reduction and navigation projects, is scheduled for completion this year. At present, the tentatively selected plan is estimated to cost $18 million and would include wetlands creation, riparian plantings, removal of barriers to fish passage, and creation of fish habitat. The project's non-Federal partners are the State of Maryland, the District of Columbia, and Prince George's and Montgomery Counties in Maryland. Even though the Administration will not have completed its review of the Corps report by the time WRDA 94 is enacted, we may be willing to support a "conditional authorization". This would allow the Corps to consider programming funds for construction one year earlier than if authorization had to await WRDA 96.

The section 1135 project for the Anacostia River will modify existing Corps structures on the Anacostia River to benefit anadromous fish passage and habitat. The project also addresses improvement of aquatic, riparian, and terrestrial habitats on the Northeast and Northwest Branches of the Anacostia River. The Project Modification Report was approved by my office in February of this year. It will take approximately eight months to complete plans and specifications with an additional nine months for construction after execution of the Project Cooperation Agreement with the non-Federal sponsor.

Ecosystem Restoration -- Program Authorities

The Administration and the Congress have forged new missions for the Corps with new authorities to protect and restore the Nation's environment. Section 1135 of WRDA 86 and section 204 of WRDA 92 create continuing authorities for environmental

restoration projects which meet certain criteria. For these projects, the path to construction can be much shorter than for projects authorized separately.

Section 1135 -- Section 1135 of the Water Resources Development Act of 1986 is entitled Project Modifications for the Improvement of the Environment. It enables the Corps to modify the structures and operations of its projects for the purpose of improving the quality of the environment. A project and program cost limitation exists for this authority. Since initial program funding in 1991, construction has been completed at four projects. As of mid-April 1994, eleven additional project modifications were in either final design or construction and thirty-four projects were in the feasibility study phase. The Corps anticipates recommending several of these for construction approval this year. As part of the Corps initiatives taken after the Midwest flood last year, several potential section 1135 modifications were identified in the flood area and three projects which have committed non-Federal sponsors have been placed on an expedited schedule. Projects that exceed the cost limitation of the section 1135 program may still be pursued under separate authority with appropriate cost sharing.

Section 204 -- Section 204 of WRDA 92 authorized the Army Corps of Engineers to carry out projects for the protection, restoration, and creation of wetlands and other aquatic habitats, in connection with dredging for construction, operation, or maintenance by the Corps of an authorized navigation project. Construction of these habitat projects would be cost shared on a 75 percent Federal and 25 percent non-Federal basis with non-Federal sponsors. This program has two major benefits. It will serve to restore environmental resources and resolve some historic problems with disposal of dredged material. In addition, the program supports the objectives of the Coastal America partnership, by providing the framework and funding for Corps participation in cooperative projects with the states and other non-Federal interests to restore coastal habitat. I am pleased to report that we have funding to begin implementing section 204 this year. The Corps has issued guidance for implementing this authority and expects initiation of studies in the near future. Potential projects which exceed the cost guidelines of the section 204 program may still be pursued under separate authority with appropriate cost sharing.

Other Authorities -- In addition to those authorities under which we have work ongoing or about to be started, there are other authorities worth noting.

Section 306 of WRDA 90 authorizes environmental protection as one of the primary missions of the Corps in its planning designing, constructing, operation, and maintaining water resources projects.

Section 307 of WRDA 90 and its various subsections authorizes the Corps to attempt to achieve the interim goal of no net loss of wetlands and the long term goal of adding to our nations wetland base as part of the water resources program and to develop a plan to achieve said goal; establish a wetlands restoration and demonstration program; and train and certify wetland delineators within the Corps. Both these sections (306 and 307) support the Corps pursuit of opportunities to protect and restore existing ecological resources. In fact the Corps is pursuing these goals through its Regulatory and Research and Development Programs. However, neither section provides a specific new authority to study, construct or implement specific measures as part of our water resources development program. Nevertheless, this does not prevent authorization language being written in such a manner as to reference these sections for examination as part of the normal project authorization process.

Section 312 of WRDA 90 authorizes the Corps to remove as part of normal operations and maintenance, contaminated sediments adjacent to authorized navigation projects for the purposes of compliance with the Clean Water Act. Sediment cleanup may be undertaken for environmental enhancement and water quality improvement if requested by a non-Federal sponsor and a comprehensive plan is developed for the cleanup, including 50 percent non-Federal cost sharing for the removal and 100 percent of the disposal. To date no such requests have been received.

Section 315 of WRDA 90 modifies section 904, WRDA 86 to include preservation and enhancement of the environment as part of those items that shall be considered in the evaluation of all water resources projects. Our planning guidance has been modified to reflect this provision.

Finally, section 216 of the River and Harbor and Flood Control Act of 1970 authorizes the review of the operation of completed projects when found advisable due to significantly changed physical or economic conditions and for improving the quality of the environment in the overall public interest. This is a study authority which can be used to seek specific congressional authorization for project modifications that would be of a larger scale than those anticipated under either sections 1135 or 204.

There are a number of other provisions in law that provide authority for environmental projects; however, they do not address cost sharing, and as a consequence, have not been implemented by the Corps. These provisions include the mitigation of damages to fish and wildlife resources at existing projects under section 906(b), the enhancement of fish and wildlife resources under section 906(e) and the modification of habitat to improve it for fish and wildlife resources under section 704(b). As I have stated earlier, I am proposing, as part of our legislative program, and now in H.R. 4460, a provision that would provide the necessary cost sharing element that is absent from these provisions for all environmental projects the Corps may undertake. The cost sharing for

environmental projects would be 75 percent Federal and 25 percent non-Federal.

Review of Environmental Policies

Given the American people's and this Administration's increasing emphasis on environmental values, I believe it is time for the Corps of Engineers to review its environmental policies to determine if changes are justified to better serve the Nation. Therefore, we have begun establishing a Corps task force to review environmental policies of the Civil Works program. The general charge of this task force shall be to determine if the Civil Works program is fulfilling its statutory environmental missions in the best possible fashion. Specifically, the task force will determine if we are meeting our statutory charges. It will review environmental policies currently in place, and recommend any changes that should be made.

Coastal America

The Coastal America partnership provides an excellent model of how Federal agencies can collaborate to achieve the Administration's goal of creating a government that works better and costs less. Coastal America is a unique partnership among Federal, State, and local governments and private alliances to address site-specific coastal environmental problems. More than 20 Federal agencies and more than 100 non-Federal partners are involved in Coastal America projects around the U.S. coastline, restoring wetland habitat and fish passage and protecting critical areas for endangered species and other wildlife. The Administration enthusiastically supports the Coastal America partnership. The Corps currently has the lead on 14 Coastal America projects as well as a supporting role in the other 49 projects.

Wetlands Policy

On August 24, 1993, the White House announced a comprehensive plan for improving the protection of the Nation's wetlands. This plan, which provides for a fair, flexible, and effective approach to wetlands protection, was developed by an interagency working group chaired by the White House Office on Environmental Policy. The working group, which included a representative from my office, heard from farmers, environmentalists, developers, scientists, state and local public officials and Members of Congress before developing the wetlands plan. With over 40 initiatives, the wetlands plan will result in substantive improvements in the protection and regulation of these important resources. In particular, many of the initiatives focus on the Department of the Army Regulatory Program administered by the Corps of Engineers. For example, the plan provides additional wetlands protection by closing a loophole in regulations that has allowed certain destructive activities, such as draining of wetlands, to go unregulated. The plan also improves the efficiency of the regulatory program by

making the Soil Conservation Service the lead for making wetland delineations on agricultural lands. Further, the plan establishes permit decision deadlines and calls for an administrative appeals process to allow landowners to challenge a Corps permit denial or wetlands delineation without going to court.

The legislative authority for the wetlands protection is the Clean Water Act which is currently being considered for reauthorization this year. The Administration is working with the Congress to have applicable provisions of the wetlands plan incorporated into the reauthorized Clean Water Act.

Recreation Policy

Corps policy currently severely restricts the use of Army Civil Works resources for implementing recreation-oriented projects. Civil Works funds normally may be used to support development of recreation when recreation benefits are less than 50 percent of total project benefits. In addition, recreation benefits must result from development of recreation potential created by projects formulated for and justified by other primary purposes. We realize that concern exists with this policy, and we will review it and report our findings to the Committee.

Recreation User Fees

The Omnibus Budget Reconciliation Act of 1993, P.L. 103-66, authorized the Corps to charge fees for the use of many day use facilities at Corps-administered recreation sites. The legislation also ended the requirement for providing a free campground at all projects having camping facilities. This reflects an evolving "user-pay" philosophy and recognizes the increasing problems of the Federal deficit. Fees collected will be used to reduce the cost to the general taxpayer of operating and maintaining existing facilities.

The Army Corps of Engineers will begin collecting recreation user fees for swimming beaches and boat launching ramps at many of its day use areas this year. A fee of one dollar per person, up to three dollars per vehicle, will be charged at developed swimming beaches. A fee of two dollars will be charged for boat launching at ramps that have one or more of the following: restrooms, security lighting, picnic tables, swimming areas, or other recreation facilities. Fees will only be collected at sites which are projected to collect significantly more than the cost of collection.

In addition, an annual pass may be purchased, and Golden Age and Golden Access passports will be honored. There will be no fee for children under twelve years of age. I am aware of the concerns many of you have about this program and I intend to review it after we have completed a recreation season to determine if any modifications would be justified.

Project Management

As you may recall, we adopted a project management system in 1988 to improve our ability to deliver quality projects on time and within budget. The key elements of this system include a Project Manager, a local sponsor, and a multidisciplinary Project Management Team. In addition, a more centralized concurrent review -- a review centered on a more responsive resolution of issues -- has helped improve the project approval process.

The Project Manager is the primary point of contact with the local sponsor and is the leader of the Project Management Team. The common goal of the team members is to deliver a quality project, on time and within budget, to the local sponsor.

You may be aware of a recent study done by the House Appropriations Subcommittee on Energy and Water Development which strongly endorsed the project management system, but identified shortcomings in Corps implementation of the system. We have already begun to institute changes to make the system more effective and are optimistic those changes will bear fruit in the near future.

Local sponsors are pleased with the Project Manager as a primary point of contact. They have vigorously shouldered their additional roles as partners in project development and as a result are more mindful of their responsibilities. The impacts on project development also have been gratifying.

During the past year, less than 20 percent of construction projects experienced non-inflation cost growth versus 25 percent the previous year and 30 percent the year before that. Before the Project Management System, and our increased emphasis on better cost estimates in feasibility studies, over 50 percent of construction projects experienced schedule slips. This year, less than 30 percent have. In 1978, the General Accounting Office said it took 26 years for us to get a project ready for construction. Since 1988, with the implementation of a number of initiatives including Project Management, we believe we have reduced that time to less than 10 years. In fact, our Baltimore District has moved four flood damage reduction projects from inception to construction in about eight years.

Partnerships

I am convinced that the future of Federal involvement in water resource development lies in continued partnerships with non-Federal entities as envisioned in WRDA 86. We have taken steps to strengthen those relationships.

The local sponsor is involved in all phases of a project, including the development and signing of the Feasibility Cost Sharing Agreement (FCSA) and the Project Cooperation Agreement (PCA) which are binding cost sharing contracts between the Federal government and local sponsors. The FCSA covers activities that will occur during the feasibility study phase of project development prior to authorization of the project for construction. Project sponsors are actively involved in the feasibility studies, providing invaluable field data, and are

critical participants in the resolutions of issues. The PCA covers activities that will occur after the project is funded for construction. Much of the discussion with project sponsors is in an effort to promote a mutual understanding of the provisions of these documents. The results have been very gratifying.

In 1993, we signed 14 FCSA's, and another 3 thus far in 1994. This brings to 106 the total number signed since enactment of WRDA 86. The total Federal and non-Federal cost of studies started under these FCSA's is over $185 million. Also, we signed 32 PCA's for funded new construction starts in 1993 and another 4 thus far in 1994. This brings to over 230 the total number of PCA's signed since enactment of WRDA 86.

The General Accounting Office recently published a report of its investigation of Corps/non-Federal partnerships in projects undertaken since WRDA 86. The report generally commends the Corps for having established clear policy, applied it uniformly, and treated project sponsors equitably. The report also noted some shortcomings that we are working on to continue to improve partnership arrangements.

For example, we have established a task force, in cooperation with the National Association of Flood and Stormwater Management Agencies (NAFSMA), to examine how to strengthen relationships between the Corps and its partners in development and execution of Civil Works flood damage reduction projects. One recent result has been the development with NAFSMA of a model PCA for flood damage reduction projects. We have established a similar relationship with the American Association of Port Authorities in jointly developing a model PCA for navigation projects. And, our relationships with the inland waterways users have been greatly enhanced by the Inland Waterways Users Board established in WRDA 86.

Establishing and nurturing partnerships with our local sponsors are critical parts of our Project Management System. As such, we will be closely examining ways to streamline and improve PCA and other project approval processes. Development and use of the new model PCA's in partnership with the national organizations representing our flood damage reduction and navigation sponsors has been and will continue to be a key part of that process.

While we are pleased with our efforts in these areas, we are determined to do better.

Dredged Material Disposal

One of the most significant challenges the Corps faces in maintaining and improving Federal navigation projects is the placement of dredged material, especially material which fails EPA established criteria for uncontained, open water disposal. There are a number of factors that have contributed to this challenge including increasing concern with the coastal environment and the need to protect and restore it, heavy population shifts to coastal areas and the resulting competition for available land, the increasing needs for navigation project

improvements to meet the needs of world trade, and the increasingly tight Federal, state and local budgets. These factors have made open water disposal of some dredged material a very contentious problem.

It is clear that we need to do a better job of planning for the disposal of dredged material. The Corps has recognized this challenge and recently issued guidance on dredged material management planning. Currently, there are dredged material management planning efforts ongoing at a number of locations.

Section 216 of WRDA 92 recognized the potential need for changes in Federal law and policy on dredged material disposal and authorized a study to examine potential policy changes. That 18 month study was initiated this year and will provide recommendations on those changes that may be needed in Federal policy. We expect this to be an issue in developing WRDA 94 and pledge to work with you and various stakeholders to forge an equitable national policy.

The challenges we face in the disposal of dredged material cannot be addressed in a vacuum. Cooperative efforts by all involved Federal agencies, the States, port authorities and local governments will be needed. At the Federal level we have made a renewed commitment to address the need for improved coordination and issue resolution. An interagency working group has been formed by the Secretary of Transportation to examine the problems associated with dredging the nation's ports. The interagency group includes, in addition to the Department of Transportation, the Department of the Army, EPA, the Department of Interior represented by the U.S. Fish and Wildlife Service, the Department of Commerce represented by the National Marine Fisheries Service and the Office of Ocean and Coastal Resource Management and the Coast Guard. The group has already had a series of outreach meetings to collect input with a second round of meetings beginning in May to obtain input on options to address the problems identified. The group has an ambitious schedule to produce recommendations on improving the dredging process by mid-1994. We are hopeful that this interagency group can be a catalyst for a unified national commitment to the improvement and maintenance of the nation's ports while preserving environmental resources and improved Federal interagency cooperation to meet that objective.

One of the continuing issues related to disposal of dredged material involves finding beneficial uses for the material. Based on our concerns that dredged material was not being fully used as a resource and to provide authority to remedy that situation, we supported section 204 of WRDA 92. Section 204 provides authority for the Secretary to carry out projects for the protection, restoration, and creation of aquatic and ecologically related habitats, including wetlands, in connection with dredged material disposal. Seventy-five percent of the funds would be Federal. This provision was mentioned earlier as an authorization for ecosystem restoration projects. Implementing guidance on section 204 was issued in February of

this year. This provision requires non-Federal interests to provide 25 percent of the incremental costs of construction projects for the beneficial use of dredged material over the cost of traditional disposal, and all costs for operation, maintenance, replacement, and rehabilitation of the beneficial use area.

HARBOR MAINTENANCE TRUST FUND

Section 1403 of the Water Resources Development Act of 1986 created the Harbor Maintenance Trust Fund (HMTF) in the Treasury. In 1986, the port use fee, which is paid by importers, exporters, and shippers, was based on an ad valorem rate of 0.04 percent of the value of the commercial cargo involved. In 1990, the ad valorem rate was raised to 0.125 percent, a level believed to be sufficient to pay 100 percent of the eligible operation and maintenance cost of those portions of the Saint Lawrence Seaway operated and maintained by the Saint Lawrence Seaway Development Corporation and 100 percent of the eligible operation and maintenance costs assigned to commercial navigation of all harbors and inland harbors within the United States, as well as National Oceanic and Atmospheric Administration (NOAA) activities in support of commercial navigation and administrative costs. However, NOAA has not yet received authority to draw from the fund.

The beginning HMTF balance (surplus), in Fiscal Year 1994, was $303 million. This accumulation has occurred primarily for two reasons. First, the authority for NOAA to draw from the fund has not been approved by Congress, and second, the expenditures for operation and maintenance activities assigned to commercial navigation have been less than projected.

This surplus has drawn the attention of the European Community (EC) representatives to the General Agreement on Tariff and Trade or GATT as it is commonly called. Because the surplus is growing, we are working with the Office of Management and Budget to review the ad valorem rate and the uses of the fund in support of commercial navigation.

The President's Fiscal Year 1995 budget included a proposal to finance from the HMTF the portion of NOAA's nautical charting and marine navigational safety programs that support commercial navigation. The Administration is developing enabling legislation that would authorize this expenditure and will transmit the proposal in the near future. The legislation would help reduce the projected surplus and should improve both the domestic and international credibility of the Trust Fund.

ASSISTING OTHER AGENCIES IN MISSIONS OF NATIONAL SIGNIFICANCE

The Army Corps of Engineers is applying its technical and managerial capabilities to a variety of missions of national significance.

The Corps provides reimbursable assistance to other Federal agencies on selected missions of value to the Nation and the Corps. The National Performance Review affirmed this "Support for Others" Program as Action Item DOD12.3 which recommends the Executive Branch "maximize the use of the Corps planning, engineering and contract management capabilities in support of other Federal agency programs."

The majority of Corps reimbursable assistance to others involves support to the environmental cleanup efforts of the Environmental Protection Agency, the Department of Energy, and 17 other Federal agencies. Almost every Federal agency benefits from some reimbursable support from the Corps. During the past year the Corps completed building renovations for U.S. Embassies in six former Soviet Union republics and is now working on renovation plans for embassies in four other countries. Also in the former Soviet Union, the Corps is helping the Defense Nuclear Agency implement the Nunn-Lugar/Cooperative Threat Reduction Initiative authorized by Congress. The Corps helped NASA and DOD develop a national plan for world class aeronautical and space facilities. Late last year we entered into an agreement with the Department of Housing and Urban Development to enhance oversight of their public housing modernization and development programs.

With funds Congress provided, the Corps is concluding an effort aimed at developing a Federal Infrastructure Strategy. The effort, done in conjunction with other Federal and non-Federal interests, with invaluable assistance from the Advisory Commission on Intergovernmental Relations, has devised approaches to improve infrastructure investment and performance. Results already have been used in Executive Branch deliberations and are reflected in recent Executive Orders (EO), including EO 12893 "Principles for Federal Infrastructure Investment", EO 12866 "Regulatory Planning and Review," and EO 12875 "Enhancing the Intergovernmental Partnership."

The Corps also remains prepared to support the Nation's civilian and military leadership on selected overseas missions, if called upon.

CORPS OF ENGINEERS STRUCTURE

The Reorganization Plan developed by the previous Administration and announced in 1992 has been withdrawn. Nevertheless, major changes in programs and workload, and manpower reductions and constraints threaten the Corps ability to produce quality work efficiently. The traditional Civil Works engineering, design and construction workload has declined relative to operations and maintenance. In addition, new missions in the environmental regulation and restoration areas have emerged. As a part of the overall effort by President Clinton to reinvent government, the Corps must implement process changes, reduce management layers, and empower its operational elements in order to avoid becoming an inefficient and ineffective organization.

Recognizing this need for the Corps to restructure itself, on June 8 and 9, 1994, I held a conference attended by a cross section of Corps employees, primarily composed of district and division personnel and representatives of non-Federal sponsors. There were also some observers representing special interest groups. In all, about 200 people participated in the conference. We began to look at the proper roles and responsibilities of each level of the Corps, i.e. district, division, and Headquarters. The process is continuing with full involvement of Corps offices at all levels and I expect that by mid or late summer, we will be in a position to begin discussing some specific ideas about restructuring with the Congress and other interests.

Mr. Chairman and Members of the Subcommittee, we commend you for your continuing role in structuring sound and sensible water resource programs through the WRDA's of 1986, 1988, 1990 and 1992. We applaud your efforts to continue the two-year authorization cycle and urge you to consider legislation for 1994 which is true to the reforms established by the previous four water resources development acts and the five principles which I outlined earlier. We pledge our total support in working with you and the Senate to develop a supportable bill, and we remain optimistic that our combined efforts will result in a successful outcome.

Mr. Chairman, this concludes my prepared statement. I will be pleased to answer any questions you or other Members of the Subcommittee may have.

ADDITION TO THE RECORD

STATEMENT OF

Thomas S. Fuller
President

METROPOLITAN WATER RECLAMATION DISTRICT OF GREATER CHICAGO

REGARDING

WATER RESOURCES DEVELOPMENT ACT OF 1994

June 28, 1994

To: U.S. House of Representatives
Committee on Public Works & Transportation
Subcommittee on Water Resources & Environment

Honorable Douglas Applegate
Chairman

I am Thomas S. Fuller, President of the Metropolitan Water Reclamation District of Greater Chicago and on behalf of the Water Reclamation District, I want to thank the Subcommittee for this opportunity to present our views on the Water Resources Development Act of 1994, and express our appreciation for your support over the years of the District's flood control and water pollution control program, the Tunnel and Reservoir Project.

The Metropolitan Water Reclamation District (MWRD) was established in 1889 and has the responsibility for sewage treatment, flood control and stormwater management in Cook County, Illinois. In fact, the District was established in response to an epidemic which had killed 90,000 people in 1885, for the purpose of addressing the local sewage problems and by 1900, had reversed the flow of the Chicago River to carry combined sewage away from Lake Michigan, the area's source of water supply. And so the District has been involved with major engineering feats since its inception.

At this point, I would like to take the opportunity to share with the Subcommittee a progress report on our landmark plan which will provide flood and pollution control benefits for generations of people of Chicago, the Great Lakes states, and our Canadian neighbors, as well as making our request for continued federal involvement in addressing priority flood control and combined sewer overflow problems.

In an effort to provide an outlet for flood waters, to meet the water quality goals of the Clean Water Act, and to prevent backflows into Lake Michigan, the Metropolitan Water Reclamation District of Greater Chicago designed the innovative two-phase Tunnel and Reservoir Plan (TARP). The Tarp phase I

plan, which was judged by EPA on two occasions as the most cost-effective system available to meet the enforceable provisions of the Clean Water Act, is a combined sewer overflow (CSO) elimination system. TARP phase II, now underway, will provide flood control relief to hundreds of thousands of residents and businesses in the Chicagoland area.

Tarp phase I is an intricate system of drop shafts, tunnels, and pumping stations which will capture combined sewer overflows from a service area of 375 square miles, containing 13,500 miles of sewers. A total of 109 miles of tunnels ranging in diameter from 9 to 33 feet, 3 dewatering pumping stations and structures and drop shafts for 438 connections to the existing sewer systems are the key components of TARP. The first TARP tunnels became operational in 1980. Of the 75 miles of completed tunnels, the largest is the Mainstream Tunnel. The completed portion of the Mainstream consists of 31.2 miles of tunnels 13 to 33 feet in diameter and 240 to 300 feet below ground.

In 1985, the Mainstream portion of TARP was completed and placed in operation. This innovative pollution control project was constructed utilizing U.S. EPA Clean Water Act funding. I am pleased to point out that this ambitious undertaking was completed on schedule and under budget. We believe this accomplishment is extraordinary, considering the scale and the engineering complexity involved in the plan and our progress to date has continued this scheduling and budgeting success story.

At this juncture, I would like to take a moment to advise the Subcommittee of the proven effectiveness of this plan, which truly serves as a model of federal dollars well-spent. On October 18, 1985, the first operational filling of the tunnel

occurred. This happened when a 12-hour duration rainfall generated 3 inches of rain in the Chicago metropolitan area. A rainfall of this magnitude normally causes health-threatening water pollution and backflows of raw sewage and polluted water into Lake Michigan, the source of the area drinking water. These backflows have occurred in the past several times a year. As the direct result of the Mainstream Tunnel system, however, over 1 billion gallons of combined raw sewage was prevented from being discharged into the Chicago waterways. This capacity also prevented the direct release of 85 million gallons of combined sewage into Lake Michigan. As an additional and critical benefit to pollution control, flooding in the areas adjacent to the 31.2 mile TARP tunnel was virtually non-existent.

Since being placed in operation, the TARP has captured over 250 billion gallons of combined sewage for complete treatment. During treatment of this polluted water, an estimated 150,000,000 pounds of sewage solids were removed.

What the Water Reclamation District is proud of is the contribution this plan has made to the health and the environment of the adjoining Great Lakes states and to our neighbors to the north in Canada. By preventing these unhealthy backflows into Lake Michigan, this plan has proven to the region and to the nation that we are serious about improving the quality of our international waters for generations to come. We are convinced that continuing federal involvement in the flooding and the CSO problem in our area is necessary to protect the investment already made through the construction grants program. What has been rewarding to us and our citizens is the return of our precious resource, Lake Michigan, and our Illinois waterways back to a fishable, swimmable state. We are pleased to report our waterways are once again supporting a native fish

population. TARP stands as an example to the nation that environmentally-wise and cost-effective solutions need not be mutually exclusive.

Mr. Chairman, in the first eight years of operation, the Mainstream system has proven to be a highly successful venture. Indeed, others have recognized our success as well. In 1986 the Mainstream Tunnel system was judged by the American Society of Civil Engineers to be the Outstanding Engineering Achievement of that year. Since operation, the TARP system has eliminated 75% of the combined sewage pollution problems and 15% of the flooding problems throughout most of Chicago and 15 nearby suburbs, a 204 square mile area, and has allowed us to meet the District's requirements from EPA under the Clean Water Act. However, because the funding authority for the construction grant program elapsed several years age, and the state revolving fund program is underfinanced, our program cannot continue on schedule and we are in jeopardy of losing the demonstrated water quality and flood control benefits we have worked so hard to achieve, as are other older, industrial cities along the Great Lakes.

To date, while we have completed and/or have under construction approximately 85 miles of tunnel, we still have about 25 miles to complete, along with a pumping station and other additional elements. Our job is not yet done, as we have approximately $500 million left to complete Tarp Phase I. While we have been working closely with the State and we have contributed and will continue to contribute local dollars, the scope of the program which protects 5.1 million people is simply beyond the capability of local resources to address. We believe that the federal government has made a commitment to assist in the clean-up of

our waterways and flood control of our community and that is why we need a solid continued federal involvement to complete the job.

While the bulk of the federal dollars have come from EPA's construction grant program, there has been a substantial state and local financial contribution to the plan, as well. Of the total funds spent to date (including engineering, surveys and rights-of-way) for the Tarp phase I project, approximately $1.186 billion or 66% have come from federal funds, $93 million or 5% have come from state funds and $531 million or 29% have come from local funds. This type of federal/local mix is quite comparable to the Corps of Engineers cost-shared flood control program.

As we identified above, while most of the tunnel project has been completed under EPA's construction grant program, this program has been phased out and we in Illinois are facing a situation where the state revolving fund is dramatically under-financed and we are advised that its funding to our area is already committed for the next 5 years. Under this set of circumstances, our program cannot continue on schedule and we stand to lose the clearly identified water quality and flood control benefits which are the hallmark of this project. Therefore, we are requesting that the Subcommittee include language in its bill which would direct the Secretary of the Army (Civil Works) to provide grant funding to be transferred to EPA for the completion of construction of the Tunnel and Reservoir Project. The language identifies that such grant funding shall continue to be at 75% federal share, which is the historic level of funding for this project. The authorized level of funding for the project shall be as much as necessary for the Secretary and Administrator to complete construction of the plan.

We have a proven, cost-effective program, in fact we have estimated that TARP is costing about a quarter of the price of rebuilding the area's existing systems to separate sewage from stormwater. Upon reanalysis, EPA has consistently found the TARP program to be the most cost-effective solution that will reduce the impacts by the greatest degree to meet the enforceable requirements of the Clean Water Act, with the least amount of dollars. What is important to the District, and to the citizens of our area is to protect the investment already made through the construction grants program, and to protect the water quality and flood control progress we have made in Illinois, and in the Great Lakes, as well. The project, while relating most specifically to the 52 tributary municipalities in northeastern Illinois, is also beneficial to our downstream communities, such as Joliet and Peoria. These benefits occur because of the retention of water in the tunnels during high flow periods and by cleaning of the ultimate discharge before being released into downstate waterways.

TARP was designed to give the Chicago and surrounding metropolitan area the highest environmental protection that any water pollution control project could possibly provide and most importantly, no other project was found to be more cost-effective. In addition, the beneficial use of the project is being enhanced by the addition of the flood control reservoirs now being designed and constructed by the Corps of Engineers, which will be connected to the tunnels for additional storage during flood events. We believe TARP stands as a tribute to our nation's Clean Water goals and one that has been accomplished within the most economical constraints.

In an effort to protect this investment and to continue our clean water and flood control progress, we are supporting the Subcommittee's efforts to continue the federal involvement in solving the critical municipal problems we face. We are anxious to work with the Subcommittee on this important project. In order to facilitate this we have included some legislative language detailing our request.

Thank you again for your consideration.

House Amendment

The Water Resources Development Act of 1994

"Sec._____. Chicago, Illinois

(a) Grant. - The Secretary is authorized and directed to transfer funds to the Administrator of the Environmental Protection Agency for making grants to the Metropolitan Water Reclamation District of Greater Chicago, Illinois, for completion of construction of the Tunnel and Reservoir Project. The Federal share of such project shall continue to be 75 percent of the cost construction. This authorization is in accordance with Section 1173 of Public Law 99-662 and Section 214 of Public Law 100-4.

(b) Authorization of Appropriations. There is authorized to be appropriated to carry out this section for fiscal years beginning after September 30, 1993, such sums as may be necessary to the Secretary and Administrator to make grants to complete construction of this project. Such sums shall be in addition to and not in lieu of any other amounts authorized to be appropriated under title II of the Federal Water Pollution Control Act."

THE WATER RESOURCES DEVELOPMENT ACT OF 1994 AND ISSUES RELATED TO REAUTHORIZATION OF THE CIVIL WORKS PROGRAM OF THE U.S. ARMY CORPS OF ENGINEERS

TUESDAY, JULY 19, 1994

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT,
COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION,
Washington, DC.

The subcommittee met, pursuant to call, at 10:00 a.m., in room 2167, Rayburn House Office Building, Hon. Douglas Applegate (chairman of the subcommittee) presiding.

Mr. APPLEGATE. The Subcommittee on Water Resources and Environment today will continue its hearings on the Water Resources Development Act of 1994. June 22, we received testimony from Acting Assistant Secretary of the Army for Civil Works, John Zirchky, relative to the administration's reauthorization proposal. That bill, 4460, was introduced by request by Chairman Mineta and myself.

During that first hearing we heard about changes which the Corps believes will make the civil works program more effective. Today we will be hearing from Members of Congress on their specific concerns. One week from today, on July 26, we will receive testimony from the additional witnesses, including the general public. We will factor all of this into our deliberations as we develop our legislation.

We remain committed to the biannual reauthorization of the Corps' civil works program. Every other year since the landmark Water Resources Development Act of 1986, this committee has prepared its bill and taken it through the process and into public law. I expect to do the same during the 1994 reauthorization.

At this time, I will turn to my good friend from Wisconsin.

Mr. PETRI. Thank you very much, Mr. Chairman.

I would like to welcome our colleagues here today and also note that later this morning we will hear testimony from our colleague, Steve Gunderson, regarding legislation he introduced to modify the LaFarge Dam and Lake Project on the Kickapoo River to transfer the project's lands to the state of Wisconsin and complete certain improvements. I am pleased to be an original cosponsor of the Gunderson bill.

As we will hear, the people of the village of LaFarge have been through 30 years of uncertainty and emotional turmoil over the future of the Kickapoo Valley. Over 140 families lost their farms to

this proposed project, which then was suspended in 1975 due to environmental concerns. This already depressed area suffered even more because the anticipated tourism and associated economic benefits, of course, never materialized.

Now almost 20 years after the Corps project was halted, the local community and the State of Wisconsin have worked together to draw up a plan to put this land to some good use as a natural reserve. The State legislature has enacted legislation to create the Kickapoo Valley reserve and a governing board which will administer these scenic lands.

The proposal has the support of the Governor, the Department of Natural Resoruces, various environmental groups, and most importantly, Valley residents. I trust that this Committee will also see the merits of this proposal and end the 30 year nightmare of the Kickapoo Valley. Thank you.

Mr. APPLEGATE. Thank you very much. We begin witht wo of our most distinguished Members, Lee Hamilton andFrank McCloskey of Indiana. We will start with Lee first.

TESTIMONY OF HON. LEE H. HAMILTON, A REPRESENTATIVE IN CONGRESS FROM INDIANA

Mr. HAMILTON. Thank you very much, Mr. Chairman. I ask that my statement be included in the record in full.

I am writing to request your assistance on two matters of importance. One is to authorize the Corps of Engineers to construct at a cost of $25 million a greenway corridor along the Ohio River in New Albany, Clarksville and Jeffersonville.

Second, I am asking the committee to amend Public Law 84–99 to allow the Secretary of the Army to undertake on a cost-sharing basis the rehabilitation of certain flood control projects where it can be established their failure or imminent failure was not the result of a poor maintenance record or neglect, but rather the result of structural and design obsolescence.

And in that second request, I am pleased to be joined by Congressman McCloskey. The Ohio River greenway will include appropriate components at Jeffersonville, Clarksville, New Albany waterfront, provide residents and visitors with better access to this scenic river front corridor and its various attractions.

The Energy and Water Appropriations Act in 1993 redirected $500,000 for the Corps to prepare a master plan for the greenway. That master plan has been completed now.

And the Energy and Water appropriations bill for 1995 included $900,000 to prepare an environmental assessment on the greenway; perform a Phase II hazardous, toxic and radiological waste investigation and initiate detailed design work.

I have been advised by the Public Works Committee that appropriate study authorities exist for continued design work on the greenway project. I am now asking the Public Works Committee to authorize the Corps to proceed with the final phase of the project, the actual construction.

I expect that construction will begin on the project in fiscal year 1997 at a cost of $25 million. I request that the project be cost shared on a 50/50 base, which is an estimated Federal cost of $12.5 million and a non-Federal cost of the same. I understand this is

the customary cost-share arrangement for a recreation project of this type.

The Federal contribution to the greenway will be matched by funding from three communities, the State of Indiana and private sources. All told, these non-Federal sources have already contributed over $9 million in recent years to the river-front improvements to the greenway, and I have included for the committee a breakdown of the summary of those expenditures.

I ask the committee credit those expenditures toward the non-Federal share of the project and that the authorization provide for crediting any similar expenditures by non-Federal interests which may occur between congressional authorization of the project and execution at some later date of a project corporation agreement for construction between the Corps and non-Federal interests. I believe the total cost-sharing credits for non-Federal activities should be limited to the $12.5 million.

I also want to take the opportunity to join Congressman McCloskey in expressing my concern about current Corps policy on repairing Public Law 84–99 projects. One of two 50-year-old 50-inch diameter corrugated metal pipes under the Jeffersonville levee in my congressional district collapsed in November 1992.

The City of Jeffersonville declared an emergency after inspecting the collapsed pipe and the pipe next to it. Jeffersonville officials believe that the second pipe could collapse at any time. If that occurs, the flood control network at the levee could be easily overwhelmed after a major storm.

The City of Jeffersonville contacted the Corps on December 17, 1992 to seek emergency funding to repair the pipes. The Corps rejected the city's request on the grounds that it is not responsible for rehabilitation work on Public Law 84–99 projects. They indicated in correspondence with the Energy and Water Subcommittee that they only are authorized to undertake activities including rehabilitation of flood control works threatened or destroyed by specific flood events.

I oppose the Corps policy in this area. The City of Jeffersonville agreed, upon Federal construction of this project, to operate and maintain it, and it has done so. Now that the project is reaching the end of its design life the Corps is charging the local community with the task of renovating the structure.

First, the Corps policy places an unfair burden on small communities like Jeffersonville which simply do not have the resources to undertake major rehabilitation of levees and other flood protection projects. It is one thing for the Corps to ask communities to operate and maintain these structures. It is quite another to demand they pay for major renovations. If the Corps saw fit to build the Jeffersonville levee in the first place, it should not now balk at its responsibility to extend the life of the project.

Second, the Corps policy does not serve public safety. The Corps has advised me it will undertake activities including rehabilitation of flood control works threatened or destroyed by a specific flood event. In other words, it will pay for repairs after the damage is done or when a disaster is imminent, but not when there is an opportunity to extend the useful life of the flood protection project. I fail to see the logic of this approach.

Third, the policy creates an incentive for flood control structures to fall into disrepair. The Corps now rewards with cost-sharing project failures but not early and timely rehabilitation efforts. I hope the committee will agree with me with respect to that, and I thank you very much for your cooperation and listening to me this morning and the support we have had in the past.

I thank you, sir.

Mr. APPLEGATE. Thank you very much, Lee.

Frank.

TESTIMONY OF HON. FRANK McCLOSKEY, A REPRESENTATIVE IN CONGRESS FROM INDIANA

Mr. MCCLOSKEY. Thank you, Mr. Chairman and committee Members. I ask that my full statement be accepted for the record. I would appreciate it, Mr. Chairman.

Mr. APPLEGATE. Without objection.

Mr. MCCLOSKEY. One of my primary concerns, Mr. Chairman, is essentially identical to the concern as to the Jeffersonville levee so eloquently raised about my esteemed colleague, Mr. Hamilton. In my case, in the 8th district, it is the Knight Township levee at Evansville. That 50-year-old structure collapsed in April when corrugated metal pipes 45 feet beneath the levee collapsed.

As a result of the collapsed culvert pipes, Waterworks Road, a county road atop the levee, collapsed, requiring emergency repairs, other repairs and inconvenience, Mr. Chairman, to the tune of the overall cost to Vanderburgh County being about $550,000.

Adding to what Mr. Hamilton said in his case, a flood did not cause the pipe collapse but neither did any lack of maintenance or care by local authorities. It simply is not fair that local communities be expected to make major capital type repairs on such Corps projects.

Therefore, I urge that the Water Resources Development Act of 1994 amend Public Law 84–99 to allow the Secretary of the Army to undertake on a cost-sharing basis the rehabilitation of certain flood control projects, as I said, where it can be established that their failure or imminent failure was not result of lack of maintenance or other neglect but result of structural or design obsolescence.

If for some reason, Mr. Chairman, that were not possible, I request that the subcommittee include specific language in the bill declaring the Evansville, Indiana Knight Township levee to be an emergency under Section 14 and ask that the work being performed in Vanderburgh County prior to enactment of the bill be eligible for reimbursement.

Another major water control concern in my district involves the beautiful historic and currently dynamic town of New Harmony in Indiana, which indeed is in danger of a major part of it being washed away due to constant erosion and flooding along the Wabash River. The Corps has done a study outlining various bank repairs and stabilization projects that need to be made. The estimated cost, Mr. Chairman, is $3 million. And I ask for your consideration and authorization of that.

In conclusion, I urge that the subcommittee review existing U.S. Army Corps programs in considering changes to Section 205, small

projects program. As you know, the feasibility studies which follow the reconnaissance studies have to be cost shared, often by very small and financially strained communities.

I am asking that if a project in essence does not justify the cost, if a community decides not to go on, they do not have to cost share as far as the feasibility study cost sharing being maintained only if small and strapped communities, Mr. Chairman, decide to undertake the projects.

So I appreciate your hearing me out today.

Mr. APPLEGATE. Thank you very much, Mr. McCloskey. We share the concerns that you have.

Does anybody have any questions for Mr. McCloskey?

Excellent presentation by you and Mr. Hamilton. Thank you very much.

Mr. MCCLOSKEY. Thank you.

Mr. APPLEGATE. And right on time, as a matter of fact early, we have Mr. Dale Kildee of Michigan. Welcome to the committee. It is good to have you here.

TESTIMONY OF HON. DALE KILDEE, A REPRESENTATIVE IN CONGRESS FROM MICHIGAN

Mr. KILDEE. Thank you, Mr. Chairman, my classmate of the class of 1976. It is good to be here. I am on time because that is the schoolteacher in me. I taught school for 10 years.

Mr. Chairman, I thank you for the opportunity to testify before the subcommittee on the Water Resources Development Act of 1994. Mr. Chairman, I am seeking this committees support in providing the necessary authorization to complete the reconstruction of the Flint River Project in my hometown of Flint.

Between 1964 and 1979, the United States Army Corps of Engineers constructed the Flint River Flood Control Project as part of the Flood Control Act of 1958, which authorized the building of eight separate flood control projects within the Saginaw River Basin. The project was designed to prevent frequent flooding of the Flint River that caused significant damage in the downtown business district and the GM area.

Once the Corps of Engineers completed construction, they turned the operation and maintenance responsibilities for the flood control project over to the City of Flint. However, during the 1980s, the City of Flint was devastated by layoffs in the auto industry, resulting in the loss of thousands of jobs and much-needed tax revenues. In addition, the Flint River has experienced far greater erosion problems than were anticipated.

The economic climate, if I may say, Mr. Chairman, has been so bad in the City of Flint that this month, for the first time in 13 years, General Motors will be hiring new workers.

As a result, the flood control project has come under disrepair. For the last three years, I have been working with Members of this committee and the Appropriations Committee to help pay for the repairs. The Congress has appropriated $4.5 million to complete the needed repairs, which are on time and on budget. I have also been working with the City of Flint to ensure that future repairs would be completed promptly.

However, Mr. Chairman, one issue remains to be resolved that will allow the Flint River Flood Control Project to be fully repaired and functional. The Army Corps's original plans did not include the construction of a fabridam near the downtown area.

The fabridam was installed later by the City of Flint to help regulate water flow in the downtown area. It was done at that time with city funds.

Currently, the inflatable bags and control system on the fabridam are not functional and need to be replaced immediately. However, since the fabridam was not included in the original mission of the Army Corps of Engineers, it is my understanding that the Army Corps needs specific authorization to build a new fabridam.

I would respectfully request that you include language in the water resources authorization bill that would allow for the building of a new fabridam. The committee should know that the money has already been appropriated for this project, and this language would allow the money to be spent.

I have talked to the colonel in charge of the area in Detroit and Flint, and he recognizes that once the authorization takes place, the money that was appropriated by Mr. Bevill's subcommittee for two years running would be sufficient to pay for the cost of this. But the Corps of Engineers will not proceed without an authorization specifically on this.

Mr. APPLEGATE. Thank you, Dale. You have had two years of appropriations, but you have had no—including this year?

Mr. KILDEE. Three years of appropriations, including this year, so the money that has been appropriated by Mr. Bevill's subcommittee is sufficient to take care of the entire project, preparing the concrete, the erosion, the clogged areas, and cleaning out behind one of the dams, and that money will be sufficient for all of that and will be sufficient also to include the cost of fully replacing the fabridam, but the Corps of Engineers wants a specific authorization before they would proceed on the fabridam.

Mr. APPLEGATE. So the last few years there were no authorizations? You had them subject to the authorization?

Mr. KILDEE. Yes. I think Mr. Bevill and Mr. Mineta were in correspondence with one another on that. But there was no authorization as such for it.

Mr. APPLEGATE. Thank you very much.

Anybody have any questions?

Mr. Boehlert.

Mr. BOEHLERT. What is the dollar amount we are talking about?

Mr. KILDEE. Six hundred thousand dollars.

Mr. BOEHLERT. In Washington terms, that is petty cash. And I am very sympathetic, quite frankly. I think you have done an excellent job with your testimony. I am particularly sympathetic to requests coming from Members who represent districts that have been really hard-hit economically. So I want to thank you for your excellent statement.

Mr. KILDEE. Sherry, I appreciate that very much.

Mr. APPLEGATE. Thank you very much, Dale.

Moving right along, we are honored to have Mr. Steve Gunderson from the great State of Wisconsin.

Good to have you here.

TESTIMONY OF HON. STEVE GUNDERSON, A REPRESENTATIVE IN CONGRESS FROM WISCONSIN

Mr. GUNDERSON. Thank you very much, Mr. Chairman. If you are nice enough to me, we will be considerate of Ohio State in football this year.

Mr. APPLEGATE. Watch what you say.

Mr. GUNDERSON. On June 14, Congressman Petri joined with me in the introduction of H.R. 4575, a measure which would direct the Secretary of the Army to transfer to the State of Wisconsin lands and improvements associated with the LaFarge Dam and Lake Project, a Corps of Engineers flood control project initiated in 1962. Wisconsin Senators Russ Feingold and Herb Kohl introduced a companion measure in the Senate on the same day.

So on behalf of this bipartisan, bicameral coalition, I request that the subcommittee incorporate H.R. 4575 into the authorization of the Water Resources and Environment Act.

Mr. Chairman, I urge you to consider the provisions of this bill. This would modify the Water Resources Development Act of 1986 by deauthorizing the construction of the reservoir and dam, while completing other features of the original project. These features include reconstruction of State Highway 131 and counties P and F; the construction of a visitors/educational complex; the completion of all necessary environmental cleanups; and the fulfillment of the Federal requirements of the Advisory Council on Historical Preservation.

Prior to 1962, the LaFarge area was a farm community which suffered from severe flooding each spring. Through several generations, the spring floods complicated spring planting. Responding to these problems, the Federal Government promised to correct the flooding problem by constructing a reservoir and dam capable of controlling the water flow.

In addition, the reservoir would have created an opportunity for water-based recreational activities, enhancing tourism in the area. In order to prepare for the project, the Federal Government condemned over 8,500 acres of land, displacing 144 families.

Unfortunately, the project has never been completed. In the early 1970s when the Environmental Impact Statement was reviewed, environmentalists raised concerns over the impact on water quality and the effects on rare species within the area. For environmental reasons, work was suspended in July of 1975, leaving 61 percent of the dam uncompleted, while 80 percent of the land had already been acquired.

By 1990, it was estimated that annual losses resulting from the removal of family farms and the unrealized tourism benefits anticipated with the completion of the project totaled over 300 jobs and $8 million for the local economy, only increasing poverty in an already poverty-stricken area.

To continue to commiserate over what was to be and what hasn't been is futile. The citizens needed to turn away from the bitterness with the Federal Government over past actions. Thus, I, along with the Wisconsin State delegation, urged the residents to form an advisory committee. Governor Thompson of Wisconsin appointed Alan

Anderson of the University of Wisconsin–Extension as coordinator for the Kickapoo Valley Advisory Committee. Various committees have worked with him, and over a span of two years this advisory committee forged a consensus and recommended the establishment of the Kickapoo Valley Reserve.

The Wisconsin legislature and the Governor concurred in the advisory committee's recommendation by passing legislation that created the Kickapoo Valley Reserve and Governing Board. Having established this entity, the State of Wisconsin is prepared to receive the transfer of this Federal land. It is now up to Congress to complete the transaction and incorporate H.R. 4575 into the authorization of the Water Resources and Development Act.

To date, the Federal Government has spent $18 million for the lake and dam project. These funds have been used to acquire the land and partially construct a dam which will never be completed. The estimated cost for completing the provisions of H.R. 4575 is $17 million. However, this is a truly modest sum compared with the $102 million which will be required to complete the entire project in today's dollars.

In closing, I can only say that this legislation provides for a win-win situation. It is a win because it conserves scarce resources by transferring land lying fallow under the Federal management to the State of Wisconsin. It is a win because it provides the opportunity to fulfill the vision for a future determined by the local citizens which will help stimulate the local economy. It is a win because it provides for the completion of specific features in the original project promised by the Federal Government. And it is a win for the environment, providing a sanctuary for endangered species and a win for the preservation of one of the largest archeological sites in the country.

Mr. Chairman, along with my prepared remarks, I ask unanimous consent to enter into the record correspondence from Wisconsin Governor Thompson, Secretary of our State Department of Natural Resources, George Meyer, Director H. Nicholas Muller of the State Historical Society, Sam Marler, Regional Director of the U.S. Fish and Wildlife Service, and the Wisconsin Nature Conservancy. All support the establishment of the Kickapoo Valley Reserve, and acknowledge that this legislation provides a win-win resolution to an unresolved matter.

After 32 years of broken promises, false starts, and economic stagnation, we now have an opportunity to remedy the failures of the past with this bill, and I encourage your support and approval for it.

Thank you.

Mr. APPLEGATE. Thank you very much, Steve.

What do you do with a dam 51 percent complete?

Mr. GUNDERSON. Nothing. It sits there, and unfortunately the Corps of Engineers is simply required by law to maintain it. They are responsible legally for any liability which should incur in the area. It is an eyesore. It is an economic catastrophe.

Mr. APPLEGATE. Serves no functional purpose?

Mr. GUNDERSON. Totally inoperable. It is not complete. The basic hardware is there, but it will never go any further.

Mr. APPLEGATE. And with the $17 million you are looking at to sort of complete, what, integral parts of it?

Mr. GUNDERSON. The local community decide that they are never going to get the dam. They have come to that conclusion. They think it serves nobody's purpose, theirs or the Federal Government, to continue to maintain the status quo for another decade or so. And so they have said that if we can take the land, turn it over to the State, make it a recreation wildlife ecological preserve, it is a beautiful river, it is a beautiful hiking area, they want to enhance the recreation and wildlife possibilities from what exists, and that is what we want to do, is complete that part of the project.

Mr. APPLEGATE. Thank you very much.

Does anybody have any questions?

Mr. Boehlert.

Mr. BOEHLERT. I just want to thank my colleague for providing us with a win-win-win-win situation. Thank you very much.

Mr. GUNDERSON. It is a unique situation to have the environmentalists, the local community, the landowners, all on the same side. So I plead with you—this is obviously a delicate compromise, and I plead with you that we can go forward while we have everyone supporting it, because if we fail to do this we will reopen all the wounds and all the debate again.

Mr. BOEHLERT. Is Burnett County in your district?

Mr. GUNDERSON. It sure is.

Mr. BOEHLERT. You have Mr. Petri here looking after your interests, and I will associate myself with him.

Mr. GUNDERSON. Mr. Petri's district actually borders the Kickapoo Valley area in some parts. So he has had a long-standing commitment to this particular project.

Mr. BOEHLERT. Thank you very much.

Mr. PETRI. Thank you very much, Steve. Your testimony was excellent.

I have had the chance to visit this area, as you point out. The southwestern area of Wisconsin is very, very beautiful. It is called the driftless area. This means it has never glaciated and the terrain is very hilly with lots of ancient streams twisting and winding their way through the hills. One of them is the Kickapoo. It is a beautiful area to canoe in and spend time.

The Federal Government came through and it was like a meteor striking a pastoral area. One hundred forty-four families were destroyed as far as their agricultural operations were concerned. The earth was ripped up by bulldozers. A big cement tower to drain the water from this lake was erected.

And then the government went away, never filled the hole, the dirt was left to slide, the infrastructure was never completed, the roads that were going to go around the lake were never completed and one thing and another. Now 31 years later, people are saying, Where is our flood protection, what has the Federal Government done to help us lately? And they haven't even buttoned it up and turned it back to the locals.

So due to your leadership and other elected officials, our Governor, and the State agencies have all come together and said, All right, let's take this and turn it into something beautiful. Let's try

and restore it as best we can to a serviceable condition and let us get on with our lives.

I certainly think an authorization is called for. Sooner or later something is going to have to be done and it has been neglected for long enough.

Thank you.

Mr. APPLEGATE. Thank you very much.

At this time we will recognize Jerry Lewis of California. You weren't scheduled for this time, but you are here early and we appreciate that too.

TESTIMONY OF HON. JERRY LEWIS, A REPRESENTATIVE IN CONGRESS FROM CALIFORNIA

Mr. LEWIS. Thank you very much, Mr. Chairman.

I must say your fine staff let me know there was a shuffling going on and I was happy to come in and convenience both of us.

I couldn't help but note, Mr. Chairman, the former testimony about an uncompleted dam that was almost 15 years ago. I was a freshman Member of this committee. This room always brings back delightful memories. But at that point in time we first began to address, Public Works did, the Santa Ana River Project in California, which is the largest remaining unprotected area in the country in terms of lives and property. And the committee was very, very responsive in those days.

We are now in the process of just beginning to build the Seven Oaks Dam. The whole project is going to run a billion and a half dollars. I couldn't help think as Steve was talking that we got halfway through and the government decided to walk away.

At any rate, I am not here today to discuss Santa Ana. I very much appreciate the committee's responsiveness. I am here to ask the committee to consider supporting a pipeline project that would solve a very serious water difficulty that we have in a portion of my desert in Southern California.

Between Victorville and Barstow, the natural basins have been overdrafted for many, many years. The only feasible solution is to tap the State water project and deliver the water to a basin some 50 miles north of the Barstow marine base, and thereby use the water to replenish the basin.

The area is rapidly growing in terms of population. The problem has existed for a number of years, and is complicated by the fact that there has been some serious water pollution that appears to be related to both the activity at the Barstow marine base and George Air Force Base.

All of you are familiar with the difficulties that relate to base closure and conversion. But in this case we are looking for a solution that essentially will be a drinking water solution for this part of the desert and the Mojave Water Agency in the region has proposed this aqueduct project, and they are seeking in this instance $5 million to complete the planning and design stage.

It is a very important item for the people who depend so seriously for drinking water. Desert communities, as you know, need it like everybody else does. But in this case we have a very unique circumstance and combination of a serious overdraft and very rapidly growing area in that part of Southern California.

I frankly, in the final analysis, do not care where the funds flow from at the appropriations process. The Corps of Engineers knows this project is and appears supportive. EPA is being made aware of the project, and so forth. But your support by way of authorization would be very, very, very important to me and I appreciate your consideration.

As an aside, some of your colleagues from this committee decided to visit their ancestors. They couldn't find a person on my side of the aisle whose schedule was available. Because I was a former Member, they suggested I might want to go along. It was a very interesting and delightful return to the committee.

Mr. APPLEGATE. Well, I don't have any particular questions right now on it. Have you received any kind of acceptance from—who would that be, Tom Bevill's committee or——

Mr. LEWIS. Tom Bevill's committee is one of the possibilities. It is possible EPA might address this problem. That might be another subcommittee, but I certainly don't want to move forward in that direction without support from the authorizing committee.

Mr. APPLEGATE. So many others don't, including some Members of the committee.

Mr. LEWIS. This committee has always been more than helpful to me. So I intend to return whenever there is a need that arises.

Mr. APPLEGATE. We certainly are going to take a look at your proposal.

Mr. Boehlert.

Mr. BOEHLERT. I just want to thank Mr. Lewis for making an excellent case. We will look at it very thoroughly.

Mr. APPLEGATE. Thank you very much, Jerry.

Anybody in the audience have any projects? We will just hang in here for a few minutes. We are waiting for Billy Tauzin to appear.

Mr. BOEHLERT. Mr. Chairman, I ask unanimous consent that a letter and accompanying documents from our colleague Mr. Livingston of Louisiana be inserted in the record at this point. The letter makes reference to a request for the committee to modify the existing Westwego to Harvey Canal Project to include an authorization for the West Bank east of the Harvey Canal Project subject to the final chief of Engineer's report. It is a very thorough statement, and there is a letter written to me from our colleague, from Livingston. I ask unanimous consent that it be inserted into the record at this point.

Mr. APPLEGATE. Without objection, it will be included in the record.

[Mr. Livingston's letter and attachments follow:]

ROBERT L. LIVINGSTON
1ST DISTRICT, LOUISIANA

APPROPRIATIONS COMMITTEE
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July 19, 1994

The Honorable Sherwood Boehlert
Ranking Republican
Subcommittee on Water Resources
and Environment
1127 Longworth HOB
Washington, D.C. 20515

Dear Sherry:

I hope you might assist me in having the following letter and requests for projects included in your hearing record for today's testimony on the 1994 Water Resources bill, as well as in your markup and consideration of the bill.

In May, 1992, my colleague Billy Tauzin and I asked your Committee to modify an existing authorized project to provide hurricane protection for 35,000 acres of urban development in West Jefferson, Orleans, and Plaquemines Parishes, Louisiana, east of the Harvey Canal.

The 1986 Water Resources Act, P.L. 99-662, authorized hurricane flood protection for areas along the west bank of Jefferson Parish, Louisiana. The Westwego to Harvey Canal, Louisiana, project is currently under construction and annually funded during the appropriations cycle. In Fiscal Year 1987 Corps feasibility studies were initiated for hurricane protection for 35,000 acres east of the Harvey Canal. A draft feasibility report for this area has been completed.

As I did in 1992, I ask the Committee to simply modify the existing Westwego to Harvey Canal project to include an authorization for the West Bank-East of the Harvey Canal project subject to a final Chief of Engineers report. I make this request because the draft feasibility report is completed. Over 130,000 thousand residents and 31,650 residential structures in this area cannot wait for the next two year authorization bill in 1996 for hurricane protection. The Corps has confirmed that 40% of these residences would be flooded by a 100 year "project hurricane" and 82% would be flooded by the standard project hurricane. At least eight hurricanes and tropical storms have passed through or near this project area since 1915. These residents deserve the same level of Federal commitment and protection that is being provided for the residents west of the Harvey Canal. I have enclosed proposed bill language for this project. (Enclosure 1)

In your 1992 Water Resources Development Act, P.L. 102-580, Section 307 authorized $70 million in funding to design and construct projects to address water quality problems associated with storm water discharges for certain areas adjacent to large lakes and tidal basins. Appropriated projects have begun and very near term projects have been developed for the amount originally authorized in 1992. However, an increased authorization is needed to fully address the areas authorized in 1992 and to meet other needs around the country.

In addition, I would ask for your assistance in amending the Section 307 authorization, or any other appropriate legislation your Committee may report out prior to the end of this year, to authorize EPA and the Corps of Engineers to provide funding to the Lake Pontchartrain Basin Foundation to carry out water quality restoration projects for the Lake Pontchartrain Basin. The additional authorization needed for this effort is $19,750,000 for fiscal years 1995 through 1999.

Situated just above New Orleans, Lake Pontchartrain and its adjacent lakes form one of the largest estuaries in the United States. Approximately a million and half people, one third of the entire population of Louisiana, live in the 16 parishes that the Lake Pontchartrain Basin drains. The extensive wetlands of the entire Basin provide one of the primary nurseries for much of the seafood harvested in the Gulf of Mexico. The Lake Pontchartrain Basin is still threatened by continued development and population growth. Pollution from old and new developments, both rural and urban, is damaging the Basin.

The Honorable Sherwood Boehlert
July 19, 1994
Page 3

However, the Lake Pontchartrain Basin Foundation and the state have identified and already begun projects to clean up the Basin. The Lake Pontchartrain Basin Foundation is a non-profit State-chartered entity that has been the leading research and advocacy group in Louisiana for identifying sources of pollution in the Basin and projects to curb this pollution. The Foundation has prepared, and has been carrying out, a comprehensive management plan for the Basin to address the water pollution problems in the Basin. An authorization of almost $20 million that would allow the Foundation and Federal agencies to implement these projects is critical. I have enclosed some proposed language for your consideration. (Enclosure 2)

Thank you for any assistance you can provide and for allowing me to present these requests to your Committee.

Sincerely,

ROBERT L. LIVINGSTON
Member of Congress

RLL/pc

Enclosures (2)

ENCLOSURE 1

DRAFT LEGISLATION

AUTHORIZATION SUBJECT TO A FAVORABLE REPORT.–The following projects are authorized to be prosecuted by the Secretary substantially in accordance with the plans and subject to the conditions recommended in the respective reports cited, with such modifications as are recommended by the Chief of Engineers and approved by the Secretary, and with such other modifications as are recommended by the Secretary. If no report is cited for a project, the project is authorized to be prosecuted by the Secretary in accordance with a final report of the Chief of Engineers, and with such other modifications as are recommended by the Secretary, and no construction of such project may be initiated until such a report is issued and approved by the Secretary.

WEST BANK HURRICANE PROTECTION EAST OF HARVEY CANAL, LOUISIANA

The project, West Bank Hurricane Protection Levee, Jefferson Parish, Louisiana, authorized by Section 104 of Public Law Law 99-662, dated November 17, 1986, is modified to include improvements to the West Bank of the Mississippi River in the Vicinity of New Orleans, Louisiana, East of Harvey Canal, for hurricane protection in Jefferson, Orleans, and Plaquemines Parishes at a total estimated cost, based on October 1991 price levels, of $124,437,000, including Federal costs of $80,884,000 and non-Federal costs of $43,553,000. Work-in-kind provided by non-Federal interests to expedite the construction of this project may be credited as part of the non-Federal contribution. Any non-Federal contribution for the construction of the project, including any modifications that may be approved by the Secretary, may be made over a period of not more than 30 years after the date of the enactment of this Act, with interest at a rate to be determined pursuant to Section 106 of Public Law 99-662. Repayment contracts shall provide for the recalculation of the interest rate at five-year intervals,

ENCLOSURE 2

1 At the appropriate place, insert the following new sec-
2 tion:
3 **SEC. ___. LAKE PONTCHARTRAIN BASIN RESTORATION.**
4 (a) FINDINGS.—Congress finds that—
5 (1) the Lake Pontchartrain Basin (referred to
6 in this section as the "Basin") forms 1 of the larg-
7 est natural estuaries in the continental United
8 States;

1 (2) the Basin drains an area of almost 5,000
2 square miles from 16 Louisiana parishes and 4 Mis-
3 sissippi counties;
4 (3) the ecology of the Basin provides the di-
5 verse essential habitat that supports countless spe-
6 cies of fish, birds, mammals, and plants;
7 (4) the extensive wetlands of the Basin provide
8 the primary nursery for much of the seafood har-
9 vested in the Gulf Coast;
10 (5) urbanization, increasing population growth,
11 and explosive development combined with intensive
12 land use have resulted in dramatic threats to the en-
13 vironment and ecology of the Basin;
14 (6) sewage and septic tank discharges, animal
15 waste from farms, herbicides, pesticides, fertilizers,
16 stormwater runoff, sediments from construction, and
17 sewage from fishing camps are all among the many
18 mounting threats to the Basin;
19 (7) a major source of pollution in the Basin is
20 raw or partially treated human waste from commu-
21 nities with poor sewer systems, communities without
22 sewer systems, and from septic tank systems that
23 are not operating properly;

1 (8) stormwater discharges from area pumping
2 stations are mainly channeled directly into Lake
3 Pontchartrain or adjacent waterbodies;
4 (9) the Lake Pontchartrain Basin Foundation
5 is a nonprofit State-chartered entity that has been
6 the leading research and advocacy group in the
7 State of Louisiana in identifying various sources of
8 pollution contributing to the condition of the lake
9 and working to identify projects to curb the pro-
10 liferation of pollution; and
11 (10) the Lake Pontchartrain Basin Foundation
12 has prepared, and has been carrying out, a com-
13 prehensive management plan for the Basin to ad-
14 dress the water pollution problems described in this
15 subsection.
16 (b) RESTORATION PROJECTS.—In accordance with
17 the comprehensive management plan for the Basin pre-
18 pared by the Lake Pontchartrain Basin Foundation, the
19 Administrator of the Environmental Protection Agency and the Secretary of Army
20 shall provide funding and oversight to the Lake Pont-
21 chartrain Basin Foundation to carry out restoration
22 projects for the Basin that—
23 (1) address human waste problems in the Basin
24 by providing a cost sharing construction program
25 combined with an education program with incentives

1 to parishes and local communities to improve sewage
2 treatment facilities and procedures;
3 (2) provide critical assistance to dairy produc-
4 ers and other persons in constructing lagoons and
5 implementing lagoon clean-out programs designed to
6 address and curb agricultural runoff into the Basin;
7 (3) provide for the rerouting of discharges from
8 selected pumping stations through wetlands adjacent
9 to the Basin, utilizing canals and small water control
10 structures in existence at the time of the rerouting,
11 in order to use natural wetlands to filter pollutants
12 from urban stormwater; and
13 (4) improve Basin water quality by eliminating
14 discharges of raw or partially treated sewage from
15 fishing camps by constructing community sewage
16 systems for camps or, where there are approved mu-
17 nicipal or community systems, providing tie-ins for
18 camps.
19 (c) AUTHORIZATION OF APPROPRIATIONS.—There
20 are authorized to be appropriated to carry out this section
21 a total of $19,750,000 for fiscal years 1995 through 1999,
22 to remain available until expended.

Mr. APPLEGATE. We are very fortunate indeed to have Vic Fazio. Mr. Fazio, the microphone is yours.

TESTIMONY OF HON. VIC FAZIO, A REPRESENTATIVE IN CONGRESS FROM CALIFORNIA

Mr. FAZIO. Thank you, Mr. Chairman.

Let me thank you and the other Members of the subcommittee for the opportunity to appear here today. This will be my last opportunity, I am sure, to testify before you as Chairman. Thank you for the contributions you made to the water resources of the country.

Let me say as Vice Chair of the Energy and Water Subcommittee on Appropriations, I know I can speak for all of us on that committee who enjoy the very positive working relationship we have had with you, Mr. Boehlert, and Mr. Oberstar, who is masquerading as Mr. Barca at the moment.

We do know our cooperation and ability to work together is essential at the moment when infrastructure tends to leave out water projects increasingly as we discuss the needs to modernize our country.

I am here today to not only thank you for your support in the past, but also to provide some additional information about some very complex water issues facing those of us who represent northern California.

I have some lengthy remarks that I would appreciate your putting in the record, and then I can try to be somewhat briefer in my oral presentation.

Mr. APPLEGATE. I would appreciate that. Without objection, your remarks will be put into the record.

Mr. FAZIO. The first thing I would like to talk about is the Montezuma Wetlands Project. As you know, the San Francisco Bay has a serious problem. In-bay disposal is effectively prohibited and ocean disposal gives rise to some significant environmental concerns. A very sensible, environmentally attractive and fiscally responsible alternative would be upland disposal at a site that would be turned into wetlands and dedicated to the public.

The proposed Montezuma Wetlands Project in my district would take care of the Bay area's dredge disposal problem for a number of years, including the impending port of Oakland deepenings. The incremental costs of upland disposal compared to ocean disposal, if any, are estimated to be less than two dollars per cubic yard, and moreover, variables associated with ocean disposal such as increased costs associated with weather delays and increased equipment requirements could add to ocean disposal costs thus make willing upland disposal all of more economically attractive.

The cost to the wetlands would be one-third the market value when the wetlands are used as mitigation. Any incremental costs would be further reduced by additional payroll taxes that would result in annual payroll envisioned at the Montezuma project of $1- to $2 million.

In the Water Resources Development Act of 1986, the committee indicated it favored projects such as Montezuma. And in the Water Resources Development Act of 1992, the committee confirmed the

desirability of the Corps having an upland disposal wetlands creation alternative.

Unfortunately, we still have some problems with local sponsors in absorbing a prorated share of additional costs of upland disposal, if any occur, therefore, to make this much-needed and sensible alternative viable, the Federal Government will have to consider absorbing any difference and crediting the local project sponsors with wetland creation or enhanced benefits in terms of cost sharing.

This would be totally consistent with the stated Federal policy that restoration enhancement and creation of wetlands is in the national interest.

This cost-sharing proposal is not project specific. It is generic, simply giving the Corps discretion to invoke the uplands disposal wetlands creation alternative when the incremental cost of invoking the alternative is reasonable and is offset by the value of wetlands created.

It is important to note the requirement that the created wetlands be dedicated to public use. They cannot be sold or used for mitigation.

I urge you to include a directive to the Corps and the WRDA of 1994 to establish specific procedures in their project formation guidelines incorporating the upland disposal wetlands creation alternative.

While I know that the Chairman is familiar with this proposal, I am submitting for the record further information related to the Montezuma sewer project. Let me say that my Bay area colleagues fully support uplands concept and the Montezuma Wetlands Project.

Mr. Chairman, I would also like to ask the subcommittee's assistance in authorizing the Corps of Engineers to make land acquisitions in the Sacramento–San Joaquin delta for hydraulic and environmental mitigation in association with the flood control project and other potential projects impacting the stages of the Sacramento and American Rivers. In the acquisition of some of the delta islands like Jersey Island, Little Holland Track and Liberty Island, to name a few, the Corps has the opportunity to not only achieve substantial environmental benefits but measurable flood control benefits as well.

For example, by making additional breaks in the levee systems protecting Liberty Island and Little Holland Track, these two islands would afford a more rapid escape of floods from the bypass which is a major feature of the Sacramento river flood control project. This would increase the available free board for flood control. These islands also support migrant and resident waterfowl as well as some threatened and endangered species.

This proposal is discussed in more detail in the statement I have submitted for the record. I also want to briefly touch on two other issues discussed in more detail in my statement.

First, I would also like to request your support for the authorization of a pilot project related to the watershed integrated resource management program concept, specifically the Colusa Basin drainage district in my congressional district as a plan that seeks to develop flood control, water quality, water supply, environmental res-

toration solutions all together for an entire watershed on a voluntary basis.

I would also like to ask the subcommittee to consider making this program legally acceptable.

And second, I have recently been made aware of a proposal to encourage the suppliers of both agricultural and municipal and industrial water to invest in water conservation improvements. The plan employed elsewhere by other Federal agencies basically uses a line of credit to leverage non-Federal funds to finance water conservation measures. This same line of credit concept could help make water and energy conservation improvements more affordable for both urban and rural water users alike by simply helping to lower the interest rate on capital they borrow to make the improvements.

Mr. Chairman, it is always a pleasure to appear before you and the committee. I want to thank you once again for your generous support in the past and for your efforts here today on this important piece of legislation for 1994.

I want to thank you and your Ranking Member and other Members of the committee, including Mr. Wise and Mr. Poshard, for their attendance and interest in helping us solve some of our problems in regional California.

Mr. APPLEGATE. Thank you. We certainly will be reviewing yours as well as other proposals.

Mr. Boehlert.

Mr. BOEHLERT. I thank my colleague for his testimony. I wish to associate myself with his introductory remarks. We are going to miss the Chairman. This is the last such legislation he will be leading the way on and he has done a fine job.

I might add, we are appreciative of the splendid cooperation we have received from you. Thank you.

Mr. WISE. Mr. Chairman, could I note that as soon as Mr. Fazio mentioned wetlands the gentleman from Louisiana, Mr. Tauzin, showed up.

Mr. APPLEGATE. Does anybody else have any other questions?

Mr. OBERSTAR. Mr. Chairman, thank you.

I want to compliment my colleague on his advocacy of wetlands protection, which is apparent in the written testimony as well as in his delivered statement. At a time when there were great questions raised, criticism of the Corps' program of wetlands protection and the existing 404 program, it is refreshing to have somebody come and recognize the value of wetlands for groundwater recharge, for wildlife nesting and breeding grounds, for retention of waters in time of flood.

One of the great causes, one of the significant causes of widespread flooding is absence of water recharge points, which the wetlands are. They are the barriers to rapid runoff.

They are the holding points. They are the filtration systems set up by nature. We have lost more than 50 percent of the wetlands in this country. The principal cause of decline in waterfowl is the loss of habitat through drainage of wetlands. And they become micro battlegrounds in the Nation's fight to preserve our available and irreplaceable resource, fresh water.

Mr. FAZIO. I appreciate the gentleman's comments. Mr. Tauzin and I both represent areas that have lost tremendous amount of

wetlands. In the process of trying to keep our ports and avenues to those ports properly dredged, we have the opportunity to restore and recreate some wetlands as well. That is why we think upland storage, when done properly, is a cost-beneficial alternative to ocean disposal, which is increasingly difficult to do and troublesome to the environment.

Mr. OBERSTAR. The Sacramento area which you represent receives an annual rainfall of 16 inches. The environment depends on water coming from elsewhere. You suggested in your statement storage areas, and without elaborate discussion of such storage areas for irrigation. Where, in what way would these take place?

Mr. FAZIO. Most of our water in the valley, of course, is generated in the watershed of the Sierra Nevada, and the northern part of the State, the eastern boundary, we are the beneficiaries of a tremendous runoff from snowpack. Of course, our system of irrigation, the Central Valley Project and the State Water Project is fed by snowpack. Those resources far exceed our own annual rainfall.

Mr. OBERSTAR. The water storage takes place in the valleys?

Mr. FAZIO. They take place in the valleys and foothills, and increasingly when we speak in terms of storage, probably in the valley itself.

Mr. OBERSTAR. No further questions.

Thank you, Mr. Chairman.

Mr. APPLEGATE. Thank you, Mr. Oberstar.

Anybody else on the committee have any questions for Mr. Fazio?

Vic, thank you very much for appearing before the committee.

Mr. FAZIO. Thank you, Mr. Chairman.

Mr. APPLEGATE. We will turn it over to our wetlands authority, Mr. Tauzin.

Mr. OBERSTAR. I wouldn't call him an authority.

TESTIMONY OF HON. BILLY TAUZIN, A REPRESENTATIVE IN CONGRESS FROM LOUISIANA

Mr. TAUZIN. I am over 1,200 miles from home and I have got a briefcase. I qualify.

We have about 40 percent of the Nation's real wetlands in our State. We have got a bunch. I am going to tell you, by the way, Mr. Oberstar, a tragic story about wetlands loss in Louisiana today. First let me thank you for letting me appear, Mr. Applegate and Members of the committee.

As usual, anyone representing a coastal State with a lot of waterway impacts, we meet again today to talk about some of those important attributes of Louisiana that this committee has been extremely helpful in preserving and enhancing. I come to you with a few modest requests, and they are modest.

The first involves Port Fourchon access. Mr. Oberstar understands that. Fourchon means "fork." My whole parish ends in a fork. It has become a major jumping off place for activities in the Gulf of Mexico. The project at Port Fourchon involves the maintenance of a 25-foot depth for the facilitation of that traffic.

The Corps of Engineers has recently completed its feasibility study for the project. The Corps's division notice is expected on September 1st. It has indicated a very strong cost to benefit ratio

for the maintenance. The last time we did it was 1980. So I would request, we proceed with authorization pursuant to the Corps of Engineers feasibility study which indicates positive cost-to-benefit ratio.

The second point I wanted to bring to your attention is a horror story, Mr. Oberstar. Years ago the Corps of Engineers decided to do something they thought was beneficial to the New Orleans area and they built what is known as Mississippi River Gulf Outlet, as a direct channel to the gulf from the great port of New Orleans.

The Mississippi River twists and turns and winds down 90 miles below New Orleans. It is primarily the delta area of the Mississippi River. For traffic to come up it is very difficult. So the Corps came in and built this wonderful canal. We name our counties parishes and we often name them after saints, as we do our football teams, to make up for the other things we do in Louisiana, I suppose.

In any event——

Mr. HOYER. PR is important in Louisiana.

Mr. TAUZIN. The bottom line is St. Bernard Parish has been split in half on this. It goes through incredibly sensitive wetlands. The channel is now five times its width. Erosion, damage in terms of storm surge—Hurricane Betsy hit in the middle of construction, the damage literally has been catastrophic.

Citizens are outraged over it. It was done with commitment to the parish to provide hurricane protection by which the parish was obligated to put up money in the 30-percent share. Over the years, it became clear that not only was the contract an awful one for the parish, but that the benefits never came to the parish. On the contrary, nothing but environmental damage has come.

Lake Borgne has eroded into Lake Pontchartrain now. The silt levels in the area are devastating. We are currently debating various ways in which we can push that saltwater back and undo some of the damage that the Corps of Engineers did in the process of building a project for us. It is a mess.

Over the years we have asked the Corps to study the cost benefits of this project. In 1992 you approved language insisting the Corps not require the parish to come up with that 30-percent share if in fact the damages were as we anticipated. The Corps has released some of its study. They are not pursuing parish contributions. Somebody is going to lose their shirt, and it is going to be Uncle Sam.

The NRGO is under review right now. Their attempts to just shut it down, their attempts to make the Corps responsible for shoring it up and rebuilding all of the wetland areas lost as a result of the NRGO, but in the meantime it is literally unconscionable to ask the parish now to pay for the cost of the project when it did some horrible damage.

I am asking you to end this awful mess and relieve the parish permanently of this obligation when in fact I think the damages far exceed any benefits to the parish.

The Baptiste Collette Channel, another good French canal in Louisiana, is a barge traffic canal. All we are asking there is that we make permanent what the Coast Guard and Corps have done temporarily, and that is to establish channel markings for the barge traffic that operates here. Approximately 22 million tons of

commodities move over it. All we are asking for is permanent markings.

So we adopted it as a Federal project at minimal cost. We maintain Federal marking that has been temporarily established there.

The last several, quickly. Hurricane protection on the West Bank of the river, in Jefferson Parish, a big metropolitan area, is now open to hurricane assault. The Corps is busily building protection levees for these people with the proper wetlands permits, all in order.

We simply want to continue the authorization so we can complete that circle of protection for the New Orleans area. I don't have to tell you, New Orleans is below sea level. If that circle of protection is not maintained, any storm coming in will put 27 feet of water into New Orleans. I don't have to tell you, with a population of a million people living below sea level, how critical that protection system is.

People ask us why we bury our people above ground in Louisiana. It is not because we are trying to keep them close to the polling group, as some people have alleged. It is because it is simply impossible with our water table to bury folks below the ground. That is how critical the hurricane levels are.

I would urge your continued support for the completion of that system.

Two final things. I represent another river in Louisiana, the Atchafalaya. It takes 30 percent of the water from the Mississippi River. You ask me why that is important. Thirty-eight States end up draining all of their water through Louisiana.

All of the big upland river flooding ends up having to come through Louisiana. The only way we can manage 38 States' worth of water is with adequate flood proofing and flood protection as that water goes down the two main channels, the Mississippi and the Atchafalaya.

We have done a decent job on the Mississippi. The Atchafalaya floods every year, whether we have a flood season or not. The community of Morgan City floods every year and the Corps can't do much about it. It would cost many millions to undue the siltation at the end of that system that they can't find cost benefit to do it.

In the meantime, the community floods every year, as a routine, and the businesses and the people that live outside of the floodwalls have to move out every year. Imagine that, moving out every year anticipating you are going to have to shut down every year. The Corps wants to do some flood proofing for these people. Ten million dollars is what they think will do it in terms of keeping these people safe.

Senator Johnston is anxious to see it done; I would urge you to include some authorization that we can help the Corps with this very modest request to do some flood proofing in a community that floods every year as we take 38 States' worth of water, 30 percent of it flowing right through this town called Morgan City in Louisiana.

Finally, the last request is an easy one for you, and I hope you can do it for us, and that is the expansion of the Mississippi River Commission. The Commission, as you know, is the body which designs and plans and helps us orchestrate the movement of all of

that water through the area. It is not sufficiently broad enough to include all of the areas in the floodplain.

We want to make sure the Commission is expanded to include the entire area by which these waters affect farmers and landowners and sensitive wetland areas as well as communities downriver of all of this water. So I would urge the expansion of the Commission.

Mr. Chairman, let me also commend you for your tenure and the excellent work you have done here, for the incredible cooperation you have always given those of us who live at the end of the river systems where water is not only a blessing, but sometimes an awful curse, and where we have to deal with it in terms of its opportunities and its crises.

You have been excellent and extraordinary in your cooperation with us and your goodwill shown to our State. I want to tell you how much we appreciate it and how much we appreciate your committee, sir.

Mr. APPLEGATE. Thank you very much, Mr. Tauzin.

You make it very hard to reject your proposals. You have a half dozen here, and I can understand the need for all of them. If you were to pick one or two, would it be fair to say how would you prioritize them?

Mr. TAUZIN. Well, obviously, they range from items which are important for the commercial benefit of the State, the Port Fourchon area, obviously it is not only important to Louisiana, but also to the Nation economically.

Offshore development in the Gulf of Mexico is the only place it is happening and it is happening in deeper and deeper waters. You have to have a port to service it, so that is important. It ranges from those economic opportunities to the dire consequences of wetlands damage and flooding and consequences to people and their homes as we have in the Morgan City area and with the Atchafalaya Basin.

So if you ask me to rank them, I would of course rank people and our ecosystems ahead of the environmental—I mean of the economic improvements that we would like to see here. But at the same time, the economic improvements in these waterways and these channels are critical. When we ask for only a Federal permanent marking of a channel, we are not asking for a lot, just to keep it going. So I would urge you not to dismiss them and say, well, they are just economic. They are terribly important, not only to Louisiana, but the Nation.

Mr. APPLEGATE. Well, I thank you for your very expert testimony, and of course your commitment to your area and to the people. It is articulated exceptionally well.

Mr. Boehlert.

Mr. BOEHLERT. The deepening of the channel, the maintaining of the 25-foot depth, is that for commercial traffic, ship traffic?

Mr. TAUZIN. Yes, sir. That is exclusively for the big and larger boats that are used for the offshore. As you know, we are stepping out even further off the shelf in the Gulf of Mexico to find what is called elephants, the big oil finds and gas fields, and we are finding some.

But as you do it, you need larger and larger boats to service larger and larger equipment. The last piece of equipment we built would be 3,000 feet above the floor of the Gulf, and you need enormous vessels to service that kind of equipment. They need that kind of draft to get in and out.

Mr. BOEHLERT. If we do this, then we would increase the value of the boat traffic and we would decrease the value of rail and road traffic. Would that be considered a taking?

Mr. TAUZIN. It might be. I am not sure. I can only tell you that if we don't take advantage of the opportunity of these big oil and gas finds offshore, then we will be paying a heavy price in America.

Mr. BOEHLERT. We are not going to subject ourselves to any suit, are we?

Mr. TAUZIN. I don't think we will, sir.

Mr. BOEHLERT. All right, fine. Glad to have that assurance.

Mr. APPLEGATE. Very good, Mr. Boehlert. Does anybody else have any other questions?

Mr. WISE. I just want to assure the gentleman from Louisiana that the State of West Virginia does not intend to bill you for the water that you have been consuming as one of the 38 States.

Mr. TAUZIN. Well, if you would just drop the hops in it as it moves down, we would appreciate it a little more.

Mr. APPLEGATE. Mr. Oberstar.

Mr. OBERSTAR. Thank you, Mr. Chairman.

Mr. Tauzin, what is the level of shipping activity through the Port Fourchon access and the Mississippi River Gulf outlet channel?

Mr. TAUZIN. I have got some numbers; the staff can maybe supply them to me. The Mississippi River Gulf outlet is still an extremely important economic asset to the Port of New Orleans. A great deal of shipping comes through it, but it is mostly containerized shipping that comes through it.

Mr. OBERSTAR. Are these shallow bottom vessels?

Mr. TAUZIN. Oh, no, big oceangoing vessels coming in. They make huge waves and the waves of course are eroding the banks and doing great damage. Right now we are asking—the Corps is on an annual basis now doing some shoring up, some rock jettying and some rebuilding, but if you ever came to New Orleans, I would be happy to show it to you one day. You would be sickened to see the horrible mess created there.

Mr. OBERSTAR. I have been to New Orleans, I just haven't seen that particular channel, although I am certainly well aware of it for many years.

Mr. TAUZIN. One of the things we are trying to do is just slow down the traffic, and even that is an economic cost to the steamship association.

Mr. OBERSTAR. Do you have any numbers on vessel traffic?

Mr. TAUZIN. What is the vessel traffic? I am told it is about seven movements a day of a major ship. You get an idea of how big it is.

Mr. OBERSTAR. I think in projects of this kind that it was a mistake ever to have gone to the cost-sharing formula that we have today. But notwithstanding the cost-sharing, I think there are projects of this nature that benefit the entire Nation.

Vessels entering the Port of New Orleans every bit as much as the Port of New York, New Jersey, the Port of Los Angeles, Stockton, are bringing commodities in and shipping commodities out to benefit the entire country. There is no one user that can be identified as the principal beneficiary, because the benefits are distributed throughout the entire body politic. And grain moves from the upper Midwest on down the Mississippi through that port, as do vital commodities that come into the United States through that port, and your request I think is modest indeed.

Mr. TAUZIN. I have some numbers for you. Five million, eight hundred thousand tons of deep cargos per year; about $5 billion worth of commodities for America; 750 ships per year; 1,000 towboats, 2,500 barges, you get the idea. It is pretty big. The Port Fourchon area moves 25 mobile rigs per year through it. These are the rigs that move out to do the drilling offshore.

Mr. OBERSTAR. Manufactured inland, assembled inland, and then moved out?

Mr. TAUZIN. That is right. Pretty significant traffic. You made the point. All of that benefits the Nation as a whole in terms of our energy security and in terms of trade and cargo, and we do have a national interest in these operations.

Mr. OBERSTAR. I think we need to work together on a means of developing a proposal here that benefits not only your area, but the whole heartland of the United States, which is served by this facility.

Mr. TAUZIN. Thank you, sir.

Mr. WISE. Mr. Chairman, if I could step back in for a second.

Mr. APPLEGATE. Mr. Wise.

Mr. WISE. The gentleman did speak eloquently. I thought of recurrent flooding, and that is no joke, whether it is Louisiana or West Virginia. Is the $10 million figure that you cited there, does that take care of the problem?

Mr. TAUZIN. We simply talk in terms of the flood proofing, and all that means is that we would be authorizing, if you want to do it, the Corps to go in and help put in some temporary levees, some kind of flood proofing along the riverfront that will stop these properties from flooding. For example, I have a company called Swift Ships in my district. They build a great many boats for agencies of this government and for the offshore. They were literally at the point of shutdown. All of these people unemployed because the floodwaters had reached into the operations, the welding shops.

The Corps wants to provide some modest flood proofing for these businesses so that they can keep operating during these periods of high water. Long-term, Mr. Wise, I don't know what we are going to do. But I can only tell you that if we keep pouring in 30 percent of the Mississippi water into this system and it keeps bottlenecking at the other end, sooner or later, we are going to totally devastate those communities. Sooner or later we have to find some way to open up the back end or these people are doomed. In the meantime, the Corps wants to do this at least, modest flood proofing.

Mr. WISE. In the short-term, I suspect, because as I say we have a few areas in my State where we have a similar problem. I suspect, though, that that $10 million, the cost benefit analysis, is quickly met and exceeded by the damage that you are keeping from

happening, because if you have to shut those businesses down, move people out, move them back in, clean up, you run into real dollars.

Mr. TAUZIN. In fact, it has gotten worse than that. With this year's flooding, the major employer, Tidewater Marine, is actively considering moving out. It simply says, if you don't come in sooner or later and make sure we don't have to shut down three or four months out of the year, we can't live here any more with you, and that literally takes away the cost benefit for future improvements and future protection. So it is pretty critical at this point.

Mr. APPLEGATE. Mr. Poshard.

Mr. POSHARD. Mr. Chairman, just a quick question. On that same project, Billy, did you say the weir has been removed now? It is partially removed?

Mr. TAUZIN. They are partially removing it. I didn't mention it; let me tell you what it is. A long time ago, in an effort to try to help this situation, the Corps built what is called the Wax Lake Outlet. They built another outlet for the Atchafalaya to go out so it didn't flood the Morgan City area.

They determined when they did that that it cut the amount of flow through the Morgan City area and it was silting in, causing more flooding. So they put a weir into that outlet to raise the flood rate of the Morgan City area. It not only raised the rate, it raised the level.

I think everybody has concluded if you are going to do something like that, you better have a flexible system. You can't build a weir; you have to have something you can open and close, some kind of movable gates and that may be part of a long-term solution. But the weir had to come down. It was literally drowning these people. The Corps finally admitted it and they are now in the process of lowering it. When they began lowering it, the waters dropped immediately in Morgan City.

Mr. POSHARD. So that has helped the situation some?

Mr. TAUZIN. Yes, it has helped some. But again, the Corps says that taking it down may be a mistake long term because again you are going to end up with siltation in Morgan City and if you ever get a real high-water year, the whole community floods, not just the riverfront. So we have got some real work to do.

I will be talking with you over the next few years about what we can see as a permanent solution. Right now they just want this flood proofing.

Mr. POSHARD. Thank you.

Mr. APPLEGATE. Thank you very much, Mr. Tauzin. Thanks for articulating so well and being before the committee to answer questions.

Mr. TAUZIN. Thank you.

TESTIMONY OF HON. STENY HOYER, A REPRESENTATIVE IN CONGRESS FROM MARYLAND

Mr. APPLEGATE. Next, we are very privileged to have one of our distinguished leaders on the Majority side, Mr. Steny Hoyer, and good to have you here, Steny.

Mr. HOYER. Mr. Chairman and Members of the committee, thank you very much. I want to join Mr. Fazio, all of whose remarks I

did not hear, at least the beginning remarks—I heard the ending remarks—and Mr. Tauzin as well, and congratulating the Chairman for all the work that he has done, the leadership that he has shown and the expression of regret that he will be leaving.

We are going to be losing one of our best Members, and I for one am very sorry that you have decided to leave us. But I know full well that whatever you do in the future, you will be successful at and will add greatly to your community as you have as a Member of this body, and I thank you for all you have done.

Mr. Chairman, I appear here before the committee on behalf of, like Mr. Tauzin, about five projects, all of which are critical and high priority, and all number ones. I noticed when——

Mr. LEHMAN. Just like mine.

Mr. HOYER. I noticed when Chairman Tauzin was trying to choose, he was very careful, and I thought to myself I am probably in the same position. They are all important.

But I am here with some folks from my community, I would like to introduce them to the committee, and maybe they can raise their hand as I mention them. First of all from the Rose Haven Community we have Tom and Maude Gill, they are back here, and Evelyn Lynn and Bill Buckley, and from the Holland Point Community we have Wes Copeland, Anne and Bernie Lovelace Sheila Stout, Melinda Zimmerman, Janet Bates, and from Galesville we have Lisa Quigley. And Lisa Quigley happens to be Cal Dooley's administrative assistant and she will be advantaged by this. I am sure Mr. Dooley will want to speak on behalf of this project when his turn comes.

Mr. Chairman, I appreciate the opportunity to be here with you and Mr. Oberstar and Mr. Poshard and Mr. Wise and Mr. Boehlert who is temporarily not here. I want to thank you for allowing me this opportunity.

Last year, the Appropriations Subcommittee on VA and Independent Agencies allocated, as you know, and reserved funding for certain water projects that would be made available upon authorization. The fifth congressional district of Maryland has more than 1,000 miles of Chesapeake Bay shoreline. Louisiana has a lot, California obviously has a lot, and we too have a very big share, and therefore, these projects are critical.

We want to revive and maintain the health of the world's most productive estuary, the Chesapeake Bay. This committee has been very helpful to us in that regard, and we want to continue that effort.

I am here to request the subcommittee's consideration of two water and sewer projects in the fifth congressional district that are very important to both communities of course, but also very, very important to the health of the Chesapeake Bay.

First, the communities of Rose Haven and Holland Point urgently require $6 million to help defray capital costs associated with upgrading existing water and wastewater treatment facilities. The community of Rose Haven is served by a private water system and Holland Point is served by individual well and septic systems. They both are on the shoreline of the Chesapeake Bay in southern Anne Arundel County.

The Rose Haven system is over 20 years old and discharged directly into the Bay. The amount requested is required to bring the system into compliance with acceptable standards for nutrient removal as well as upgrade water pressure and improve water quality. Because of the size of those fees, they cannot possibly carry that load by themselves.

Second, the community of Marlboro Meadows is working with the Washington Suburban Sanitary Commission to upgrade their water system and have it taken over by the WSSC. The WSSC, Mr. Chairman, has agreed to pay half of the costs associated with the takeover of this capital-starved system, which currently pays higher rates by about a factor of two than the rest of the county.

Without Federal participation, it is unlikely that the largely minority community will be able to support the cost of this sorely needed project. I am requesting $3 million to allow this system to be upgraded and incorporated into the WSSC system. The State, Mr. Chairman, has appropriated $3 million contingent upon a match, so that if we match that, $6 million will go and WSSC—the county will participate as well.

Since this hearing is also about the Army—or is about the Army Corps of Engineers, I would request your authorization for a Chesapeake Bay environmental restoration and protection program. This is a $25 million authorization, as suggested by the Corps, which would establish a pilot project to provide environmental assistance to non–Federal interests in the Chesapeake Bay region.

This project would include planning and design and construction assistance for water projects affecting the Bay, including sediment control which we have been talking about here this morning as it relates to the Mississippi, wastewater facilities, habitat creation, fish passage to enhance the fish and wildlife resources of this estuary.

Finally, Mr. Chairman, the President identified the Anacostia River Basin as a highlighted portion of his budget, and among the 10 most threatened rivers in the country. Now, that river, to the extent that it is in Maryland, is essentially in Al Wynn's district.

However, as you know, Mr. Chairman, inevitably, the water comes down the Anacostia, into the Potomac River, all of you have crossed the Anacostia regularly and that of course flows into the Potomac into the Chesapeake Bay. So it is critical for us. None of us is an island in this business and every drop of water that flows into every other drop has an impact on it.

The Corps has already assumed the leadership and the restoration of this important tributary of the Bay, and I am requesting, Mr. Chairman, an authorization of $15 million towards construction of projects that the Corps has identified are essential for the cleanup of this river.

Ironically, we talked about flood control a little earlier, particularly with respect to the Mississippi. In the flood control projects that were erected by the Corps on the Anacostia, they destroyed wetlands. They have now concluded that that was in error, obviously, and that those wetlands need to be restored for the ecology of the river and of the Bay, for the quality of life for all of the people who live, work and play at or near the Chesapeake Bay, which

is I think all of us in Congress, and I would respectfully request your support for these authorizations.

Again, Mr. Chairman, I appreciate this opportunity to testify before you and the committee, and would hope that these authorizations could be approved.

Mr. APPLEGATE. Thank you very much, Mr. Hoyer, for a very excellent statement.

You do have several projects in there. I can see the importance of all of them. I would say to those who sit in the audience that you represent that they are indeed very fortunate to have such a man of integrity and one who wields a strong stick and moves forward and does so well in representing his district. They are very fortunate indeed to have you.

Mr. HOYER. Thank you, Mr. Chairman.

Mr. APPLEGATE. And I don't have any particular questions. We have looked all of these things over and we are going to be considering each of them on their merits. I don't think there is any question about the fact that the Chesapeake Bay is probably one of the most valuable estuaries and bays in the United States—in the world, in fact, and certainly needs to be protected and enhanced.

Anybody on the committee have—Mr. Oberstar?

Mr. OBERSTAR. Mr. Chairman, I just want to reinforce Mr. Hoyer's comments about the Chesapeake Bay. It is the greatest estuary in the world. Estuaries are the meeting place of fresh and salt water and where the new forms of life are created, and the protection of the Chesapeake Bay as one of the Nation's treasures has to be one of the foremost considerations of this committee, as it has been going back to John Blatnnik and the chairman previous to him, Mr. Fallon from Baltimore, and looked over the Chesapeake Bay with great care and protection I have traveled the areas that the gentleman from Maryland has referenced in his testimony, and I certainly understand the needs that he has cited.

I think the activities that we undertake in the protection of the Chesapeake Bay are critical as a national resource. But the most important of all is nonpoint source protection upland of the Chesapeake Bay. If there is any argument anywhere in this country for nonpoint source protection, it has to be the oystermen and the crab fishermen of the Chesapeake whose livelihood has been devastated from runoff from open areas upstream sources of water for the Chesapeake Bay.

Mr. HOYER. I very much appreciate the gentleman's comments, and of course agree with his observations and the aggressive nonpoint source efforts are going to be critical if we are going to restore and maintain the life of the Bay. You are right.

Mr. APPLEGATE. Mr. Wise.

Mr. WISE. I just wanted to check with the gentleman. Was the first project that you mentioned that the State has already come up with 50 percent?

Mr. HOYER. Marlboro Meadows, which is the second project. The State has not come up with any money for the second project. But I would tell you, Mr. Wise, if I were putting a priority on them, there is direct discharge to the Bay with respect to the first project, and I would say they are the most critical in terms of timeliness.

The problem is the community is so small it can't carry the load itself. One is on septics, one is on a private system.

Mr. WISE. As one who represents a lot of small communities, as you do, you are quite right. You have a problem that is actually more than community-wide, but it is a community that is being asked to pick up the burden. I sympathize and share the gentleman's concerns.

Mr. HOYER. Thank you, sir.

Mr. APPLEGATE. Mr. Poshard.

Mr. POSHARD. No questions, Mr. Chairman.

Mr. APPLEGATE. Steny, thank you very much.

Mr. HOYER. Thank you very much, Mr. Chairman and Members of the committee. I appreciate the time.

Mr. APPLEGATE. Next on our schedule are very important Members, Mr. Rick Lehman and Cal Dooley. And you fellows are here appearing together, I assume.

Mr. LEHMAN. Tag team.

Mr. APPLEGATE. You can proceed. Rick, you are listed as number one, so you can start.

TESTIMONY OF HON. RICHARD LEHMAN, A REPRESENTATIVE IN CONGRESS FROM CALIFORNIA

Mr. LEHMAN. Thank you, Mr. Chairman. Before I start, let me also join in the accolades to you for the job that you have done here and say how much we are going to miss you and express my gratitude for the work you have done over the years for our part of the country, central California. We appreciate it. Thank you.

I appreciate also the opportunity to testify today and to join my colleague, Mr. Dooley, in support of four proposals that are related to Corps of Engineer projects in our districts. Water resource development in California, as you know, is both the engine that has helped drive growth and prosperity and is also the frequent subject of rancorous debate.

Cal and I come before the subcommittee today to support existing projects that have served the purposes for which they were constructed and to offer small changes that can help improve the effectiveness and efficiency of these projects.

First, Pine Flat Dam on the Kings River has helped irrigate 1.1 million acres attached to 15,000 farms in the San Joaquin Valley that produce gross revenues of $2 billion per year. The project provides valuable flood control as well as domestic water for a three-county area and also generates millions of kilowatts of hydroelectric power. A Corps of Engineers reconnaissance study has served to identify means by which to improve fish and wildlife habitat along the river.

We respectfully request statutory and report language to speed implementation of certain of these measures which are supported by the California Fish and Game and the local sponsors. Since the Corps estimates that the study, design, and authorization of these measures could take as long as 6 or 7 years, we request that the subcommittee in its reauthorization bill authorize the use of Section 1135 of the Water Resources Development Act of 1986 to construct a turbine bypass at a cost of $2.3 million which will increase the operational flexibility of the project to allow for more efficient

release of cold water for trout below the dam. As well, authorization could be provided to allow the Corps to undertake other measures identified in the reconnaissance report that have readily identifiable benefits, are relatively small scale, and can be quickly accomplished.

As the subcommittee knows, the San Joaquin Valley is in the process of trying to reconcile its water needs with its water supply. Our constituents are searching for innovative ways to provide benefits to fish and wildlife and to constantly improve the efficiency with which they use water.

I join my colleague, Mr. Dooley and Representative Fazio in urging the subcommittee to examine ways to involve the Corps in efforts to improve water conservation and watershed management programs such as one recently begun by local sponsors and the Bureau of Reclamation on the Kaweah River.

I remain concerned about excess costs and delays relating to a feasibility study on the Kaweah River. The basin investigation is now over 2 years late and nearly twice the original estimated cost. These delays and costs have hurt the local sponsor, forcing it to pay an additional $650,000 in unanticipated costs.

I urge the subcommittee to examine this problem and place a statutory cap on the local sponsor's cost-share responsibilities so as to give the Corps a reasonable incentive to more efficiently accomplish the study. This is not a proper way for anyone to do business, and I hope to work with the subcommittee to develop other means to improve the situation.

Before closing, I want to take a minute to alert the subcommittee to a problem in the operation of the recently completed Redbank and Fancher Creek flood control projects just outside of Fresno. I have always been a strong supporter of the project but am concerned that the Corps' operating criteria may conflict with longstanding flood control practices.

The Fresno irrigation district operates canals that are an important part of the Fresno area flood control system. The Corps' operating criteria for Redbank–Fancher does not make the best use of these facilities and may even cause unnecessary flood damage.

Several weeks ago Representative Dooley and I asked the Corps to work with local interests to resolve this problem. So far, the Corps has not responded, and we may have to call on this subcommittee for assistance in that matter.

These are important measures to our local economy, Mr. Chairman. We are trying to get ahead of the curve on fish and wildlife, and rather than have eventual solutions to those problems wreck our projects and our economy, we would like to deal with them up front and solve them in advance, and these measures, modest though they are, would go a long way towards accomplishing that.

I thank you.

Mr. APPLEGATE. Thank you, Mr. Lehman.

TESTIMONY OF HON. CALVIN DOOLEY, A REPRESENTATIVE IN CONGRESS FROM CALIFORNIA

Mr. APPLEGATE. Mr. Dooley.

Mr. DOOLEY. Thank you, Mr. Chairman. I too join all of my colleagues in commending you on your distinguished career here in

Congress. I won't repeat all of the statements of Mr. Lehman, which are very consistent with my written testimony that I will submit.

But between Congressman Lehman and myself, we represent certainly one of the most productive agriculture regions in the Nation. We have between us Fresno, Tulare, and Kern counties which are first, second, and third in the Nation in terms of agriculture receipts, and as Congressman Lehman said, that is in large part due to the water projects and the water development which has allowed this part of the country to blossom into the agricultural area that it is.

As we have found in recent years, we have seen increased growth in population, and we have seen also increased competition for that developed water in California, and this has in time led to conflicts between water users as well as between water users and the environmental community in trying to meet some of the environmental needs of the State and the Nation.

What Mr. Lehman and I are really asking for in support from this committee is not really new projects, but is to try to encourage a greater cooperation between the Army Corps and some of the local entities who in good faith have participated in trying to resolve some of these problems.

And also I think it is very consistent with President Clinton's and Vice President Gore's comments on reinventing government, is that there are sometimes more cost-effective ways to achieve environmental benefits.

Our request on asking the Corps to consider utilizing Section 1135, which could speed up the process in terms of trying to provide some environmental benefits on the Kings River is an example there, where we think that we get more immediate benefit, provide benefits to water users, as well as providing significant benefits to improving the environment and the establishment of additional environmental habitat. And we would be interested in the committee sending a message to the Corps in that regard.

Also, on the flood control project at Redbank and Fancher Creek, again, another example of where the local entities who have participated through thought process, we have a project that is completed. There is some question on how is the best way to operate it.

And in this case we think it is clear that some of the local entities there, the local flood control entities have some knowledge that could benefit and we would hope that the Corps would ask their guidance.

The other issue which I will close with is one that perhaps I am most concerned with, and that is we have our local water districts and oftentimes local governmental entities that engage in cost—engage in projects in which there is going to be a cost-sharing.

They have an original estimation on what the project will cost. And then as they get into the project, as we have with the Kaweah Water District originally was $1.6 million that they would participate in the cost share. Now, we are up to $2.9 million.

You get the local entity, which gets into the process, which invests hundreds of thousands of dollars and which are tough for them to come by, and it is almost impossible for them to walk away

from that investment, and yet they are basically held hostage until they can come up with additional contributions that are far in excess of that original estimation.

And where we, as I understand it, where we have estimations in terms of construction by the Army Corps of Engineers that have to be within 20 percent of what that estimate is, there is no corresponding requirement on the feasibility studies.

And I think that is something that we all need to consider. Is there some way that we can create a system which provides the incentive for the initial estimation to be fairly accurate, and also for the Corps to engage in those studies in a timely and cost-effective manner, so that it doesn't result in additional contributions being asked upon by the local entity or the cost-share participant in the local area.

So those are some of my comments. I echo all of the concerns of Mr. Lehman. I certainly appreciate any help that this committee can provide to us in seeing the completion of these real positive projects in our region.

Mr. APPLEGATE. Good. Well, I thank you both for coming before the committee and expressing your concerns through your proposals. And as I mentioned before, we are certainly going to be looking at all of them. We have a very difficult task in trying to develop a priority list of our own, and they are all priorities and all very important. But I thank you very much.

Mr. Poshard.

Mr. POSHARD. I have no questions.

Mr. APPLEGATE. We thank you very much for coming before the committee.

TESTIMONY OF HON. JOLENE UNSOELD, A REPRESENTATIVE IN CONGRESS FROM WASHINGTON

Mr. APPLEGATE. Next we have Mrs. Unsoeld.

Mrs. UNSOELD. Thank you very much, Mr. Chairman. I thank the Chairman for his leadership and I appreciate the work that this committee has done.

I am here today to offer you a deal. You can have us wake up from a 20-year plus nightmare to a new day of hope and sunshine, and it won't cost you a dime.

The problem began more than 20 years ago when the little town of North Bonneville on the Columbia River was to be displaced for the completion—the building of a second powerhouse at Bonneville Dam. And that seemed like it should be straightforward enough.

But 20 years later the relocation, the transfer of property has not taken place. In fact, there has been much rancor, bitterness, blame that can go all around. As redistricting made it apparent that I was going to inherit this mess, I began to look for a solution.

In the last Congress, I thought we had a legislative fix that would bring some equity to the situation and solve the problem so that people could go on about their lives. But, Mr. Chairman, I failed to recognize that the Justice Department holds all of the trump cards, and even though I had legislation directing them on what was supposed to happen, it wasn't going to happen without suing them or getting their cooperation.

This year, Mr. Chairman, I am bringing to you a legislative solution that is agreed upon by the Corps of Engineers, by the Justice Department, by the town, and I beg you to help us put this nightmare behind us.

Thank you.

Mr. APPLEGATE. Well, was there anything else that you wanted to say about it concerning—do you want to give us a little bit of an idea of what your—just give me a brief——

Mrs. UNSOELD. I would ask that my entire statement be put in the record.

Mr. APPLEGATE. Your statement will appear.

Mrs. UNSOELD. What it does is to allow the town to go beyond its bankruptcy, to allow all of the litigation on top of litigation that has gone on in the last 20 years to be set aside, and an agreement on the last stumbling block was liability for what became a toxic site as the construction of that second powerhouse took place.

And understandably, the Corps or the Justice Department did not want the Corps to become permanently responsible for that liability. So how that was all to work out has now finally been put into language with the assistance of the Justice Department; it required change in personnel and in the city council of North Bonneville also, and they have approved this solution without any question.

Mr. APPLEGATE. I think that we realize the situation that has happened and certainly there has to be some resolution, and we are going to be looking at it to see what can be done to make it workable.

Mrs. UNSOELD. I hope that you will find the language acceptable, because it was very carefully negotiated between the Justice Department and the town and is delicately balanced.

Thank you.

Mr. APPLEGATE. Let me see if Mr. Poshard has any questions for you.

Mr. POSHARD. I do not, Mr. Chairman.

Mr. APPLEGATE. He does not. So thank you very much.

Mrs. UNSOELD. Thanks a lot.

Mr. APPLEGATE. And now we get to Mr. Visclosky.

TESTIMONY OF HON. PETER VISCLOSKY, A REPRESENTATIVE IN CONGRESS FROM INDIANA

Mr. VISCLOSKY. Mr. Chairman, with great respect for the contribution that you have made to the institution as well as to this committee, I am not here to offer you a deal; I am here to ask you for money.

You are familiar with the district that I represent, the first district in Indiana, and you are also very aware that water is a critical issue for us. It drowns out economic development, it endangers health and lives, and it has caused untold damage in the area.

The first matter I want to highlight for the subcommittee is the need to expand upon an ongoing Army Corps project by developing a watershed management plan for the Deep River Basin, which is comprised of the 282-acre watershed for Lake George, Turkey Creek, and Deep River in the vicinity of the communities of Merrillville, Lake Station, and Hobart.

The Army Corps is currently facilitating the sediment cleanup of Lake George. The project was first authorized in 1986 and received funding in 1990. However, a detailed comprehensive investigation of the watershed, beyond the scope of the existing study, is necessary for the future success of the Lake George project.

I am convinced that expanding the Lake George project to include a comprehensive approach to watershed management for the Deep River Basin would save taxpayer dollars and alleviate the need for a costly re-dredging of Lake George in future years. The Army Corps estimates that $400,000 would be needed to successfully complete a study of the Deep River Basin.

Second, I am asking for authorization of a project to combat erosion and degradation of the Beauty Creek Watershed in Valparaiso and unincorporated Porter County, Indiana.

The estimated total cost of this project is $3.7 million, $110,000 of which will be required to complete the study in design phases of the proposed project. The Beauty Creek Watershed is located in a rapidly growing area of Porter County.

Runoff from local development has aggravated the degradation of Beauty Creek and its tributaries which have long suffered from the erosion of the sandy shores that are characteristic along the watershed. Large quantities of sediment have collected in the flatter reaches of this system. Sediment has also degraded fish spawning beds downstream in Salt Creek.

The city of Valparaiso will spend approximately $500,000 this year alone to reconstruct a badly eroded section of the watershed. Authorization of a comprehensive plan to address the problems of the watershed will alleviate future expenses.

Third, I would like to address the devastating flooding problems faced by the residents of the Black Oak community within the city of Gary, Indiana. Black Oak encompasses approximately nine square miles and has a population of about 9,000 people. This low-income, racially mixed area has borne more of its share of environmental and economic injustice over the years.

The lack of both sanitary and storm sewers, an inherently high water table, and a primitive drainage system comprised of a few ditches that empty into the Little Calumet River, have contributed to chronic and significant backup of storm water in yards, driveways, and residential ditches.

Mr. Chairman, I might just add anecdotally from my own experience going door to door in the community during the dry season, there are literally homes surrounded by water even at times when no rainfall has occurred.

The water levels have rendered most of the septic tanks in the area inoperable as well. Add to this the history of contamination from an adjacent Superfund site and you have living conditions that are by any measure substandard.

Unfortunately, this situation only stands to be aggravated by an ongoing Army Corps of Engineers project, the Little Calumet River Flood Control Project. I am here to ask for authorization for a study to investigate how the water problems of Black Oak would best be remedied, especially in light of the negative effects of the flood control project. It is estimated that $15 million would be required to completely address Black Oak's needs, $700,000 of which

would be required to finance the Corps' reconnaissance study of the area.

Finally, I would like to address two related areas of concern regarding the Army Corps of Engineers in the Chicago district. Specifically, I am worried about inadequate staffing levels for the Army Corps' Chicago district and the adherence of the Corps to Davis-Bacon standards.

Although all Federal agencies, including the Army Corps, are being asked to streamline their operations in this era of reduced discretionary spending, the Chicago district has taken more than its fair share of cuts. As a result, various authorized and appropriated Corps projects in the Chicago district, including northwest Indiana, are falling behind schedule due to the fact that the Chicago district is seriously understaffed.

Finally, it has been brought to my attention that the Corps at times is failing to effectively monitor its civilian contractors in the Great Lakes region. Specifically, the U.S. Department of Labor has investigated the number of civilian contractors on the Great Lakes and has found violations of Davis-Bacon standards.

In May, I was joined by Representatives Obey, Sabo, and Kaptur in calling on the Army Corps to conduct more effective monitoring of dredging and marine construction projects within the Great Lakes region. Any refusal of civilian contractors under the jurisdiction of the Corps of Engineers for the operation of qualified Federal contracts should not be tolerated.

I would, therefore, request that the committee direct the Army Corps to make greater efforts to properly monitor Davis-Bacon compliance by civilian contractors on the Great Lakes.

Again, Mr. Chairman, I would like to thank you for the opportunity to be here today, and the opportunity to have served in the United States Congress with you.

Mr. APPLEGATE. Thank you very much, Pete. I appreciate your saying that. Thank you for a very good statement. We certainly recognize the problems that you are having, and your proposals. We are going to do the best we can to try to address them. Mr. Poshard.

Mr. POSHARD. No questions.

Mr. APPLEGATE. No questions.

Mr. VISCLOSKY. Thank you, Mr. Chairman.

Mr. APPLEGATE. You did a good job.

Next we have listed, and I know that Tim has been here for a while, but we have this thing down. We are going to try to stick to this thing as best we can, and we have—where is Tom Barlow from the great State of Kentucky?

TESTIMONY OF HON. THOMAS BARLOW, A REPRESENTATIVE IN CONGRESS FROM KENTUCKY

Mr. BARLOW. Mr. Chairman, I too am sorry to see you be leaving. I have enjoyed very much working with you in this first term of mine. Mr. Horn, good to see you. Mr. Poshard, thank you for being here. I am here to testify today for two projects, one the addition and expansion of the Kentucky Lock and Dam. The Kentucky Lock and Dam is really a cork in a bottle that is very narrow now, and is preventing efficient transport of traffic up and down the Ten-

nessee Rivers and the Tennessee town bigby system, and of course they tie into the Ohio River which reaches up into your region, and the Mississippi. It is a very narrow cork in the bottle, built 50 years ago.

We have seen commerce expand extraordinarily in our central United States regions with coal, with grains, with chemicals, with aluminum, with rock, those being the biggest users of the inland waterway system, and having been built 50 years ago with all of the changes in barge technology and with the expansion in the economy, we are finding that the locks and dams are just too narrow and we are finding tows stacked up there for considerable periods of time and have to be broken down and then reformed up above the dam and below the dam. And especially in coming years, with the world economy becoming more competitive, we are going to have to get efficiencies in our inland water system, and the expansion of this lock and dam is absolutely vital to it, for all of the river systems in the heartland. This is really truly a tight cork in the bottle right now, and the authorization is for $472 million, and that will take us to a good cost benefit ratio, and we respectfully request your authorization there.

There is one other project, the town of Hickman over on the Mississippi River. It is a river town, an old town; it has a small port, and we are not leveed on our side of the river the way they are over in Missouri.

And, as a result, we find the high waters during the seasons rising up from the bottoms, and they are working along one particularly high bluff of the town undermining it, and a number of the services of the town are perched high up on that bluff. And for $3 million we can save in effect the town of Hickman.

If they find their services and the economic units that are on that bluff pulled down with time by the waters, and it is something that will move quite quickly; it has been moving quickly in recent years, we are going to lose that town. It is a very vital town in my region. It is one that I want to see preserved.

In fact, they are working strong and hard for economic growth for their county, for the region, and for the port there. And for this $3 million investment, we can secure that growth in our region for the future. I respectfully request that that be authorized as well. Thank you, sir. And I would submit my testimony for the record.

Mr. APPLEGATE. It will be made a part of the record without objection. And I would say that I appreciate your coming before the committee and talking about your concerns. As far as the new larger locks and dams, I have three of them in my district. And the first one was built around 30 years ago, for $65 million. That is just about what it would take to study them today.

Mr. BARLOW. That is right.

Mr. APPLEGATE. Not quite, but realizing the tremendous increase in the cost. But the importance of those dams to that river is unmeasurable. And it has really meant a great deal, I know from the old archaic locks and dams that have been on that river before. So I naturally have a great deal of sympathy for the problems that area would have without having something like that.

So anyway, I thank you for coming before the committee.

Mr. Horn, do you have anything?

Mr. HORN. No questions.

Mr. APPLEGATE. Mr. Poshard.

Mr. POSHARD. Mr. Chairman, only to speak up in support of my good friend, Congressman Barlow from western Kentucky who is doing a marvelous job of representing that area.

I am very familiar with the Kentucky Lock and Dam operation. We have a similar project on the Ohio between Tom's and my district up in Olmstead. These dams were built many years ago. I think when you look at the cost-to-benefit ratio, almost 2 to 1 on this particular project, 1.7 to 1, I think, in the Corps' estimation, the public will get a good return on their investment if we reauthorize this new lock and dam on Kentucky lake. It is needed.

Commerce on the river is backed up considerably through that area because of the lack of the ability of the present lock to handle the situation, and anything I can do to support Tom in this effort, I certainly want to do it. I appreciate his being here.

Mr. BARLOW. Thank you, sir.

Mr. APPLEGATE. Tom, thank you very much.

Mr. BARLOW. Thank you.

Mr. APPLEGATE. Appreciate you coming before the committee.

TESTIMONY OF HON. TIM HOLDEN, A REPRESENTATIVE IN CONGRESS FROM PENNSYLVANIA

Mr. APPLEGATE. Let's see. Tim, sorry you had to sit and wait for so long, and it is good to have you before the committee and we are anxious to hear what you have to say.

Mr. HOLDEN. Thank you, Mr. Chairman. I join my colleagues in thanking you for holding this very important hearing today, and I also would like to join them in congratulating you on a very successful and honorable career in the Congress, Mr. Chairman.

I respectfully come before your committee today to request your help with a matter of health and safety in my congressional district. The city of Sunbury, Pennsylvania is located at a juncture of the east and west banks of the Susquehanna river. The city has historically had problems with floodings and in 1951 a series of flood stations and a floodwall were built throughout the city.

Sunbury is actually located 15 feet below the level of the Susquehanna and the pumping stations and floodwall are vital to the city in times of high water. The pumping stations were established in 1951 and were originally designed to operate only at times of high water.

In 1968, an artificial dam was constructed on the river and elevated the level of the river by nine feet. This created an additional burden on the pumping stations and required them to operate constantly. After these factors, the lack of sufficient funding for maintenance and repairs, and we are confronted with a very dangerous situation.

In recent years there has been considerable problems with individual pumping stations now functioning. The failure of more than one station at any given time would be catastrophic. With the assistance of the Army Corps of Engineers, the Sunbury Municipal Authority, and the State of Pennsylvania, we can provide a solution to this problem. Some funding has already been supplied by the Commonwealth of Pennsylvania. Mr. Chairman, I would deeply ap-

preciate consideration of this worthwhile project by the Army Corps of Engineers.

Mr. Chairman, the total cost of the project is estimated at $2.2 million, and the Commonwealth of Pennsylvania has guaranteed $500,000 of cooperation.

Mr. Chairman, I thank you for this opportunity to bring this very important project that is vital to the safety of the citizens of Sunbury before your committee.

Mr. APPLEGATE. Thank you very much, Tim. I appreciate your position and your statement, and your needs.

Mr. Horn, do you have any questions?

Mr. HORN. No questions.

Mr. APPLEGATE. Mr. Poshard.

Mr. POSHARD. No questions.

Mr. APPLEGATE. Thank you very much.

Mr. HOLDEN. Okay, Mr. Chairman.

Mr. APPLEGATE. Well, we have a little bit of a respite here. It looks like we caught up. So if the committee would—how about at this time that I recognize our good friend, Mr. Poshard.

Mr. POSHARD. Mr. Chairman, thank you. If it is okay, I can just address the committee from here?

Mr. APPLEGATE. Yes.

Mr. POSHARD. Mr. Chairman, I wanted to speak on behalf of a project that lies between my district and Congressman Durbin's district. It is the Rend Lake Corps of Engineer project that lies in Franklin and Jefferson Counties in southern Illinois in the middle of mining country.

Rend Lake is a Corps of Engineer lake that was built back in the early days of Congressman Kenneth Gray who served on this committee. And it is the largest—I believe it is the largest man-made lake in the State of Illinois and one of the largest Corps lakes in the Midwest.

When the lake was built, there were two subimpoundment dams that were designed and constructed by the U.S. Army Corps of Engineers, beginning in June of 1965. Those were built for fish and wildlife purposes, and particularly to benefit the migratory waterfowl. This lake lies right in the center of the Mississippi flyway. It is just a few miles off of the Mississippi River.

The Illinois Department of Conservation, as the local sponsor of these subimpoundment dams, is responsible for the operation and maintenance of the dams. They have installed, over the many years that they have been managing this project, dual pumps at both the Casey Fork and the Big Muddy to augment the natural inflow. So the subimpoundment dams were created to create wetlands for migratory waterfowl purposes as well as to help create a reliable water supply for many of the surrounding communities in this area.

After several years of operation, the Illinois Department of Conservation identified evidence of through seepage, cracks in the concrete keyway, riprap displacement and embankment deterioration.

During the 1980s, repeated overtoppings caused significant damage to these structures requiring tremendous expense to replace riprap, stone bedding, and earth fill.

In 1990, another major repair was made through a joint venture between the St. Louis Corps district and the Illinois Department of Conservation. Inadequate performance of these dams have been well documented and evidence has shown that design deficiencies exist.

The St. Louis Corps district has acknowledged these design deficiencies, and asked Congress to fund a study for corrective action at an estimated cost of about $338,000. The Corps would like to repair these subimpoundment dams. The problem is that they have to have a local match because of the law that we passed in 1986, the Water Resources Act.

The Illinois Department of Conservation, quite correctly, I think, say that they do not have the money and, because this is a design and construction deficiency which the Corps acknowledges, that the Corps should replace these on their own, that they should not have to come up with a 25 percent local match from the State.

The Corps acknowledges, as I said, in their study, that these were design and construction deficiencies in the original construction, and over the years they have been trying to maintain these structures at a very expensive cost to the Corps and the State, which has helped them somewhat over these years.

There is concern from both the Corps and the Illinois Department of Conservation that any future moderate over-topping event could lead to structural failure and loss of the subimpoundment lakes. In a recent article in the major newspaper in this area, the Corps' own study revealed that a moderate event would lead to a structural failure and loss and that damage would result in losing established wetlands for a number of years. The Corps official defined a moderate event as a storm that would not be out of the ordinary but that would occur once every 10 years.

So what we essentially have here are two large dams that were created by the Corps, operated and maintained by the Illinois Department of Conservation that are at risk here with even a moderate event, as the Corps described it in their own study.

We are in danger of losing these large dams which have created wetland for migratory waterfowl and so on. What we are asking is to implement language in this bill or specific legislation, whatever wording it will take. We are asking this committee to help us do that and to authorize the Corps to repair these structures now.

The estimated cost would be about $8 million to restore these two dams and to protect this huge wetlands area and this water supply source.

These dams actually lie in Congressman Durbin's district, but the lake lies in both of our districts, and the waterfowl and wetlands area serves this entire region of the country.

So the Corps I think is quite willing to do this. They, of course, need the striking of the language to require the local match from the State, and the $8 million to their budget in order to restore these two dams.

I am asking the committee to help us achieve that.

Mr. APPLEGATE. Have you submitted this? Has this been submitted as a proposal to the committee?

Mr. POSHARD. It has not at this point, Mr. Chairman. We wanted to talk to you and the Minority Leadership of the committee about

this. We have not drafted anything at this point. We have had ongoing negotiations between the Corps and the State of Illinois. The State, which is hugely in debt, as are most States in the country today, simply say that they don't have the money for the local cost share. This was a Corps lake. It was designed and constructed by the Corps. The dams have been acknowledged by the Corps that the deficiency has been in the design and original construction.

So we have been trying to see if there was any possibility of working out something up to this point in time. Last week Congressman Durbin and I had a meeting with Mr. Zirschky about this. We have been unable to find a way for the State to come up with the 25 percent cost.

Mr. APPLEGATE. The estimated cost of the project is——

Mr. POSHARD. About $8 million to totally reappraise——

Mr. APPLEGATE. And what is the match?

Mr. POSHARD. Well, the match required by law is 75–25 percent, is that not correct? So the match would be 25 percent of that, which would be $2 million.

Mr. APPLEGATE. The total cost, though, is $8 million? That is not the Federal share.

Mr. POSHARD. No, sir. The total cost is estimated to be between $8 to $11 million, but Mr. Zirschky felt it could be done for the $8 million.

But they have had a continuous study going on until a couple of years ago, when it was evident that it was impossible for the State to meet the local share, and the study was suspended at that point in time. But they can provide reliable cost estimates to us for work that has been going on now since 1986. They have been looking at and analyzing the cost to repair this entire area.

Mr. APPLEGATE. Okay. You will get your proposal in to us so we can consider it, anyway.

Mr. POSHARD. Yes, sir.

Mr. APPLEGATE. Thank you very much.

Mr. Horn.

Mr. HORN. Mr. Chairman, it seems to me if there was a design flaw as stated in the beginning, that this might well be an opportunity for the committee to think about 100 percent reimbursement on this and not a local match.

Is there a history where such projects have qualified for 100 percent? It is through no fault of the people in the area.

Mr. POSHARD. And the Corps has acknowledged that. They have acknowledged the problem lies in the design of the dam and the way it was constructed according to that flawed design.

Mr. APPLEGATE. Well, because of those problems it is sort of a new area we are looking at. We don't know at this juncture whether we can take a look at 100 percent, but certainly in some projects that we see, you could most likely say that it should be deserving of 100. But we do not have a policy at that 100 percent figure.

I think that probably is it.

Mr. POSHARD. Thank you, Mr. Chairman.

Mr. APPLEGATE. Thank you, Mr. Poshard.

And we have with us Tim Roemer.

TESTIMONY OF HON. TIM ROEMER, A REPRESENTATIVE IN CONGRESS FROM INDIANA

Mr. ROEMER. Thank you, Mr. Chairman. I am delighted to be here. Thank you for the opportunity to be with you and the Ranking Republican, and, Mr. Poshard, to testify to you here this afternoon.

My request is a very simple one. I will be very brief. I am seeking authorization for the Army Corps of Engineers to begin restoration action at Koontz Lake, Indiana. This lake requires reduction of sediment and nutrient deposits.

We would like the Corps to conduct an investigation into the necessary course of action. The Chicago Corps office is well aware of this project and money has already been appropriated for it. We sought and were given $100,000 in fiscal year 1993 and $200,000 in fiscal year 1994. However, we were under the impression that existing authority covered the requirements for the work that needs to be done at Koontz Lake.

As it turns out, specific authorization is needed, and I am here to ask for your help in obtaining that specific request.

The recommended method of removal is suction dredging. This does not require draining the lake and follows numerous other steps taken locally to preserve and protect the area.

As I stated, the Corps is aware of the project and the appropriated funding is being held in reserve at my request pending authorization. A Project manager, district environmental staff and economists have all been selected and assigned but cannot proceed without authorization.

As I said, Mr. Chairman, this is a simple request and we hope the committee can help us, and we have provided the necessary authorization language with my statement.

I thank the committee for their time and hopeful agreement to that request.

Mr. APPLEGATE. Thank you.

Does anybody have any questions?

You have done a good job.

Mr. ROEMER. Thank you.

Mr. APPLEGATE. Let's go to Mr. Farr. Sam Farr of California.

TESTIMONY OF HON. SAM FARR, A REPRESENTATIVE IN CONGRESS FROM CALIFORNIA

Mr. FARR. Thank you very much, Mr. Chairman, Members. I appreciate you giving me time.

I have three projects in my district that I would like to bring to the attention of this committee. Some of them Congressman Horn may be familiar with since he is a Californian who lived in this region as a child and knows the area.

The first project is the San Lorenzo River Flood Control and Restoration Project. In 1955 we had a big flood in Santa Cruz that cost $40 million in damage. The Corps of Engineers came in and channelized the river, didn't do a very good engineering study of it, and what has happened is it has silted up, and it is a big threat to a major area which we have put a lot of Federal dollars into following the 1989 earthquake.

In 1986, Congress put more money into a new study called the San Lorenzo River Flood Control Project, and in essence that work is ongoing now. I am here before the committee because in addition to the flood control project itself, I particularly wanted to ask the committee to authorize the Corps of Engineers to undertake the environmental restoration work associated with the San Lorenzo River control project under Section 135.

I believe it is important to coordinate the environmental restoration with flood control efforts rather than deal with them separately in two different district offices. Significant savings could be achieved in the long run if these projects were undertaken together, because the environmental improvements would be constructed as part of the existing flood control project.

The two are not physically separate. To treat them as such would lead them to unnecessary and duplicative costs. That is my request to the committee on that project.

The second is the Pajaro River, another river in Santa Cruz County, and it is for the Pajaro River Flood Damage Prevention Project. This is an ongoing Corps of Engineers project. It received $300,000—it is requesting $300,000 in fiscal year 1995. The reconnaissance studies examining alternative plans to flood control improvements are supported by local interest and a new tax assessment zone has been established to finance a feasibility study in the project.

It is a river that runs between two counties, so half of the river bank is in one county and the other half is in the other county. Both counties are participating, and I understand the two-phase planning process are participating in a 50–50 cost sharing feasibility phase studies.

So the additional funding required for reconnaissance and feasibility study phases of the project is $570,000. That is what we are requesting.

The last project, the third project in the district is the Santa Cruz Harbor Anchovy Project, kind of an unusual name. I would like to ask the committee's assistance with a significant problem facing the Santa Cruz Harbor. It is roughly once every 8 to 10 years, massive influx of up to 2,000 tons of anchovies go into this very narrow harbor. The anchovies die due to overcrowding and resulting lack of oxygen.

The result is tens of thousands of dollars of damage to commercial and recreational vessels, an enormous cleanup cost to the harbor district and a nearly unbearable public nuisance to the people of Santa Cruz, particularly those residents in the immediate vicinity of the harbor.

In addition, Mr. Chairman, the anchovy killed represents an impediment to economic growth and the creation of jobs in the harbor area.

Over the last 30 years the Santa Cruz port district has tried a variety of solutions to this problem but none of the attempts have succeeded. There is no technology under way, underwater sound screen. The technology proposed is similar to the technology recently field tested in the Sacramento River and the Sacramento-San Joaquin Delta. But it has not been tested in the open waters.

If it is effective in the marine environment, as it has been in the Sacramento River Delta, the information garnered would prove enormously beneficial to other port districts in the country that have a need to keep their unwanted species from their harbors.

The total cost of the project is estimated at $1.6 million within a three-year period. A proposed annual budget for the project is attached to the testimony I gave the committee.

So those are my requests, Mr. Chairman. And I think they all have a great merit. We have invested a lot of Federal dollars into this region, both in the harbor district, into the infrastructure of Santa Cruz, and following the Loma Prieta earthquakes, following the 1985 floods. In fact this county more than any other county in the United States has had five Presidentially declared disasters in the past 10 years.

So if we can improve the infrastructure with this small investment of Federal monies, indeed I think we can keep the vital economy of that area alive. It is the smallest county in California inland area, but one of the most densely populated and certainly one of the most recreationally used counties on the California coast.

I appreciate your indulgence in helping with these requests. Thank you very much. I would be glad to answer any questions you might have.

Mr. APPLEGATE. Thank you very much, Mr. Farr, for your testimony. We will certainly be taking a look at your request. We will do everything we can to try to help you. I am always interested in an anchovy project.

Hold on a second, now. We are not through with you. Of course, I am a great believer in anchovies. They are good on pasta if you fix it right. Counsel doesn't agree with me on that.

Mr. FARR. They are good for salmon, too.

Mr. APPLEGATE. They are.

I don't have any questions. Mr. Horn does.

Mr. HORN. I ask my distinguished colleague, who has done such a splendid job in that central coast area, about the Pajaro River Project. I notice you do not include San Bernadino and Santa Clara. Is there no flood control boundary?

Mr. FARR. Those counties are at the headwaters of the river and floods always happen where the masses meet in the other side of the drainage, which is downhill from both Santa Clara and San Benito.

I don't know of any flood problems we have had upstream, but certainly they hit the Pajaro Valley before they go in the ocean. There has been flooding in downtown Watsonville in the past and certainly flooding of the new sewage treatment plant there.

So this study that the Corps is doing—it is also, I might add, not just a study. There is a total water management district in the area. They are looking at using reclaimed water for irrigation. They are also looking at how to take the excesses from the Santa Clara and San Benito Counties, particularly sewage, treat it at the upstream stage and then release it into the Pajaro River. They also have entitlement to San Filipe water if they choose to, again, although they are at the end of that pipeline and it looks like upstream users will probably grab most of it.

But for your interest and our interest here in Congress, what is interesting, and it is probably one of the most progressive attempts to look at all water needs and uses, all drainages, all nonpoint source drainages, all types of reclamation, so all of these things build together.

Having that river be a river that is alive year-round will keep the riparian vegetation alive and therefore prevent less flooding and erosion that is occurred when the vegetation dies for lack of water. That is what this study is all about.

Mr. HORN. It is primarily protection of floods in the more urbanized portion of the river, I take it?

Mr. FARR. Yes, but it is not just those levees that were big, high levees. Now you deal with total management concepts, environmental management, water management.

Mr. HORN. It is a commendable project. I do recall that river rising from one foot to 20 feet in 1937 and 1938. So it does occasionally happen. Yes, I remember it well.

Mr. FARR. Thank you.

Mr. APPLEGATE. Thank you very much, Mr. Farr.

Mr. FARR. Thank you, Mr. Chairman. I appreciate your help.

Mr. APPLEGATE. We are also privileged to have Mr. Bart Stupak.

TESTIMONY OF HON. BART STUPAK, A REPRESENTATIVE IN CONGRESS FROM MICHIGAN

Mr. STUPAK. Thank you, Mr. Chairman, Mr. Horn.

I would like to tell you about some water projects in the first congressional district in Michigan. As you know, my district has more coastline than any other congressional district in the Nation except Alaska. Therefore, I have more requests than probably any other Congressman.

There are four projects in my district that are scheduled to be deauthorized soon. Those are Ontonagon Harbor, the Alpena Harbor, the Cross Village Harbor and the Cedar River Harbor projects. I have attached an explanation to my testimony, and I will not go into great detail on those four projects. However, I would like to get into details on the Soo Locks, Manistique Harbor and Grand Marais Harbor.

The Grand Marais harbor was first mentioned in 1660 in the journals of two French travelers and it first appeared on a map prepared by two other Frenchman in Paris, France in 1745. There was a breakwall constructed 100 years ago. There has been little or no maintenance since then. The harbor is filling with sand at the rate of 100,000 cubic yards each year. Without a breakwall, the harbor will be totally destroyed.

In 1978 and again in 1992, Congress directed the Corps of Engineers to review the situation at Grand Marais. And now the Senate Energy and Water appropriation bill includes $100,000 to fund an economic study of the harbor.

In all honesty, Mr. Chairman, we have studied this problem to death. What we really need is action. And therefore I am asking the committee to include language in its bill directing the Corps to construct a breakwall at Grand Marais Harbor.

The second project I want to discuss is the Manistique Harbor. The Manistique Harbor has been the subject of U.S. Environmental

Protection Agency cleanup plans since spring of 1993. At that time, the EPA announced its intentions to remove PCB sediments from the harbor by emergency dredging. It has been more than a year now and more than $2 million has been spent on this project.

EPA has now announced it plans to study the harbor some more. At issue is really the selection of the appropriate remedy for cleanup of the harbor.

The current debate is whether to cap, which will cost somewhere between $2- and $8 million, or to dredge, which will cost anywhere between $30- to $115 million. The potentially responsible parties, Manistique Papers and Edison Sault Electric Company, have cooperated with EPA. They have conducted intensive monitoring and extensive studies upriver assessing human health and environmental risks. The Manistique community is strongly in favor of capping and opposed to dredging. Capping would not adversely impact commercial shipping in the Manistique Harbor because it is too shallow for today's deep draft, self-unloading lake carriers.

In fact, the harbor isn't used for shipping much anymore. Today I am asking the committee to modify the depth from 18 feet to 12 feet. This would allow them to cap the harbor. Without this change in the law, the work cannot be done. The Detroit district of the U.S. Army Corps of Engineers has advised me that they have no objection to this change.

I strongly support the capping solution. This the small community of Manistique has limited resources and the Manistique Papers is a major employer. Capping effectively isolates the PCB contaminations from surrounding areas and stabilizes them against erosive forces. Dredging will only stir up sediments and cause resuspension of PCBs.

Some of which will migrate into Lake Michigan. Capping is the most cost-effective solution and is consistent with EPA criteria for cleaning up PCBs.

So I am asking this committee to direct the EPA to cap the PCBs in Manistique Harbor without further, costly delays.

Finally, I want to tell you about the Soo Locks. As you know, the photo over there adorns the wall of this committee, but the Soo Locks is made up of four locks that play a vital role in the movement of freight through the Upper Great Lakes system. In 1991, 88 million tons of freight moved through the Soo Locks. Since the mid-1800s, the total tonnage that has moved through the Soo Locks has been almost 8 billion tons. Twenty-nine lake vessels are restricted to the existing large lock—the Poe—because of length and/or beam dimensions. These vessels comprise two-thirds of U.S. lake fleet capacity.

In 1986, Congress authorized the construction of a new, large replacement lock. This year we have been successful in getting $200,000 from the House and Senate appropriations bills to begin the preconstruction engineering and design phase of a new lock.

The old and outmoded Davis and Sabin locks are in jeopardy of structural failure and cannot be economically repaired and they cannot handle the large lake carriers. If the Poe Lock is suddenly unusable for any reason, there is no reasonable transportation alternatives. The U.S. industry will come to a halt. The new lock will be built as a replacement lock.

We must build the lock because 70 percent of the raw materials used in the steel industry passes through the Soo Locks. However, there is a problem with the non-Federal share of the project. It is estimated that it is a $98 million non-federal share, which is an excessive burden where no local beneficiaries can be identified. Because the beneficiaries in this area are really region-wide, the impact is upon the national economy. It is a national problem. The U.S. Army Corps of Engineers has determined that the lock system is vital for national defense planning purposes.

I am asking the committee to consider ways to reduce this burden by extending to 50 years the length of time to pay the non-Federal share. Also, some adjustment should be made to account for the 20 to 30 percent of Soo Locks' traffic that is Canadian in origin or destination, and it doesn't pay a fee to use the locks. This portion should be picked up by the Federal Government before the non-Federal share is determined and then seek reimbursement from the Canadian government.

Finally, we need to develop a formula for spreading the burden among all the beneficiaries. Michigan cannot and should not bear the hardship alone.

Mr. Chairman, I appreciate the opportunity to be here today and I will answer any questions you may have.

Mr. APPLEGATE. Thanks very much. I appreciate you appearing before the committee. I don't have any particular questions right at this moment. We have a lot to look over with all the requests that we have. We are going to do the best we can.

We know that your project is necessary. But there are so many that are. Anyway, we appreciate you coming before the committee.

Mr. Horn.

Mr. HORN. No questions. Sounds very commendable.

Mr. STUPAK. Thank you, Mr. Chairman.

Thank you, Mr. Horn.

Mr. APPLEGATE. You bet. Next we have Mr. Ed Pastor from the great State of Arizona.

TESTIMONY OF HON. ED PASTOR, A REPRESENTATIVE IN CONGRESS FROM ARIZONA

Mr. PASTOR. Good morning. I ask unanimous consent to submit a written statement.

This morning I would like to talk to the subcommittee about three basic projects. The first one is the Rio Salado Project, and let me explain it this way. Several years ago in Scottsdale, Arizona, the Corps of Engineers applied a very unique concept to the Indian Bend Wash, a wash that travels north to south through the City of Scottsdale and often flooded that community. Rather than paving the banks with concrete or other materials, they decided to stabilize the banks and turn the wash into a literal Greenbelt.

Not only did the project provide bank stabilization, flood control, but it also had a substantial public recreation component. So as you travel today in the Indian Bend Wash, you see this greenbelt that is utilized by the public for picnics, volleyball, golf, et cetera, while providing reliable flood control for Scottsdale.

What we want to do now is take that concept, and extend it from the confluence of the Indian Bend Wash and the Salt River, and

take it westward, along the Salt River, through the City of Tempe and the City of Phoenix. This is known as the Rio Salado Project.

A reconnaissance study was authorized for the project in fiscal year 1994, Energy and Water Development Appropriations bill, when it was conceived as one project. The project has evolved, and I am now asking for bill language that would allow the Rio Salado to become two separate, but complementary, projects.

My request would allow the project to begin in Tempe and then go forward and continue in the City of Phoenix. Mr. Chairman, the dry riverbed of the Salt River is now used for landfills and gravel pits, and it has very little bank stabilization. This request would provide a continuation of the Indian Bend Wash project, and allow for flood control recovery of riparian habitat, and public recreational activities.

The second project, Mr. Chairman, is also a request for bill language. Recently, the Public Works and Transportation Committee passed a committee resolution that broadened the scope of the Corps' work in Arizona to include environmental protection and restoration activities. This authority, Mr. Chairman, is a need for future expansion. As you know, water is the lifeblood of the West. And the conservation, storage and treatment of this precious resource are matters of primary importance to Arizona. The reuse and reclamation of wastewater are also essential components of this effort.

I am, therefore, proposing language to grant the Corps broader authority to assist in water and wastewater environmental protection, and enhancement projects in Arizona. This new authority would permit the Corps to expand its environmental mission in Arizona where such initiatives are essential for environmental preservation to exist along with continuing growth that the State is experiencing.

Mr. Chairman, my third request concerns an ongoing Corp project in Nogales, Arizona. The project provides flood control for a wash that begins in Mexico, in Nogales, Sonora and heads north into Nogales, Arizona. The origin of the waters are in Mexico and they are flowing north into Arizona.

The project for the Nogales wash was authorized for construction in the Water Resource and Development Act of 1990. The project will provide a 100-year level of flood protection to the Chila Vista Kitchen communities. At that time, the project was estimated to cost $6 million, with a non-Federal share of $1.5 million. The project costs have increased, and are now at $10.9 million, with $4.3 million for non-Federal share.

Santa Cruz County is a very small county. It has one major city—Nogales—with a population of 20,000. The small community has the serious problem of flood waters coming in from Mexico. Because of the lack of adequate flood control and wastewater infrastructure in Mexico, these waters are coming into Arizona. In many cases the water is polluted, not only with toxic chemicals but also with human waste. Therefore, the flooding also presents major public health concerns.

As you know, Section 103(k) and 103(l) of the Water Resources Development Act of 1986 gives the Secretary of the Army the authority to permit the non-Federal contribution to be paid out over

a 30-year period and to delay the initial payment for a one-year period. I am requesting language directing the Secretary to apply these payment options to the project.

I am also requesting, Mr. Chairman, that pursuant to Section 103(m) of the Water Resources Development Act of 1986, the non-Federal contribution to the Nogales Wash Flood Control Project be reduced from 25 percent to 10 percent of the total cost of the project.

Mr. Chairman, these requests are important for the people of Arizona and its Second Congressional District, and I appreciate any favorable consideration you can give to them.

Thank you very much.

Mr. APPLEGATE. Thank you very much.

Nobody has any questions, so we will let you go.

Mr. Pomeroy.

TESTIMONY OF HON. EARL POMEROY, A REPRESENTATIVE IN CONGRESS FROM NORTH DAKOTA

Mr. POMEROY. Thank you, Mr. Chairman.

I have a rather focused project. We will be getting language to the committee. It involves compensation for landowners of 10,000 acres contained in the Buford Trenton irrigation district found in northwestern North Dakota and near the City of Williston, North Dakota.

I am sure in the Chairman's distinguished public service on this committee he has seen many instances where there have been unintended consequences of Federal projects. Unfortunately, the one that we are going to be talking about this morning was entirely foreseeable, and in fact was forecast 40 years ago when the mayor of Williston said, if you dam the Missouri River, at a reservoir level of 1,850 feet, you are going to cause trouble for us upstream.

The reason was because that level of reservoir slowed the flow of the river outside Williston and there would be an aggregation problem. The silt drops out. We have created a delta near Williston, North Dakota, one that is wholly unnatural.

It has caused a problem for the city, but even more importantly and more at issue this morning, it has caused a problem, in fact, it will eventually destroy an irrigation district of 10,000 acres that was created before the construction of the dam on the Missouri River. This irrigation district creates a surprising circumstance in northwestern North Dakota where they are producing crops every bit as rich as that found in the Red River Valley in the eastern part of the State. Most particularly, the production of sugar beats.

Because of irrigation, the productivity quality of this land is 15 times what it would be otherwise. This has been now a 50-year creature, which is contributing very dramatically—it is estimated $11 million yearly to the economy of the area, resulting directly in 140 jobs. Because of the siltation the river doesn't have the capacity and when it flows in the spring, it floods. The whole 10,000 acre irrigation district is susceptible to being wiped out in the event an ice jam will occur at certain crucial points along the river.

I would like my staff member just to show you, on the chart the relationship between the irrigation district and the river. The river is the darker irrigated area. The irrigation district is the gray area

but less indicated. You can see that as the river silts up, it is going to destroy that irrigation district. We have had circumstances where they dig down just a few inches and find water. We have had circumstances where the farm equipment bogs. It is literally flooding out from below as this water table continues to rise.

The aggregation problem has already destroyed an irrigation district that was downstream. In that instance, the Federal Government acquired fee ownership of the land. Nothing was done for it. And if you want to see wasted land, I invite you to come out and take a look at the former Lewis and Clark Irrigation District. It is absolutely chock-full of cotton wood and all kinds of brush. It doesn't produce wildlife, it doesn't produce anything. It is a nice place for the mosquitoes to develop. And they do, in massive swarms.

We want to avoid that result with the Buford-Trenton project. We have been working with the Acting Assistant Secretary at the Corps, John Zirschky, in attempting to find a solution. We have looked at a number of things and I am sorry to tell that you dredging, levees, ice control structures, groundwater pumps, any other temporary response to trying to keep this a productive irrigation district over the long haul will not work.

We have now reached a point, in light of the 40-year silt buildup, where we are at a point where something needs to be done and done now. The way Dr. Zirschky and I see it, there are two options.

The Federal Government acquires fee title to the land, or the option we prefer, flowage easements be assigned on the land. And flowage easements be purchased by the Federal Government sufficient to compensate the farmers for their diminished use, ultimately complete loss of use of their property.

The benefits that attach to the flowage easement resolution of this problem include the following, and all of this is outlined in greater detail in my printed testimony. The flowage easement allows the title to stay with the landowners, allows control of the land to stay with the landowners, retains the property tax base for the county, removes Corps liability, allows renters to continue farming, reduces the operation maintenance cost to the Corps, and lowers the cost to the Federal Government. The district can still operate as a Pick–Sloan project. And it keeps the irrigation district functioning just as long as crops can be produced on this piece of land.

As an alternative, the fee transfer will ultimately involve loss of use of the productive capacity of the land, which would involve potentially wildlife production areas. You would think that the related agencies, either at a State or Federal level, related to wildlife production, might be interested, but they are not. Both the State Game and Fish Department and the U.S. Fish and Wildlife Service say they have no interest in this land; they don't have the capacity to manage it. So that really is not an option that works very well in this circumstance.

The cost is estimated at between $20- and $30 million. It stems back to a commitment made by the Corps of Engineers at the time the reservoir level for Lake Sakakawea, was decided. At the time the dam was constructed they were arguing about the reservoir level, and in response to the concerns of Williston, the Corps of En-

REPRESENTATIVE TOM BARLOW
TESTIMONY BEFORE THE SUBCOMMITTEE ON
WATER RESOURCES AND ENVIRONMENT

Chairman Applegate, Representative Boehlert and distinguished members of this subcommittee. Thank you for allowing me the opportunity to testify here today.

First, Chairman Applegate, let me thank you for the excellent service that you have provided over the years to the American people, the Congress and this subcommittee. I appreciate the consideration that you have given me during my short time here, and I wish you the best in your future endeavors.

I have two important matters that I wish to bring to your attention today: (1) the Kentucky Lock Addition project; and, (2) the Hickman Bluff repair project.

Kentucky Lock Addition:

A new, larger, and state-of-the-art lock is needed for Kentucky Dam. The older lock, which opened in 1944, is unable to handle the barge traffic that now exists on the Tennessee River. The major barge lines that use this lock to haul materials through the Tennessee Valley must routinely endure long delays in order to pass through Kentucky Dam near the mouth of the Tennessee River. The older lock is just too short and narrow to handle modern barge traffic. The existence of the nearby Barkley Lock is of little benefit because of the fact that the Cumberland River below Barkley Dam is too narrow and winding to provide a safe avenue for modern barge commerce.

In 1992, the Corps of Engineers approved a Feasibility Report that recommends constructing a new 1200x110 lock at Kentucky Dam at the estimated cost of $472 million. Additionally, the Corps of Engineers is in the process of performing PED for this project. $2 million dollars was appropriated for FY 1994 for PED and another $2 million is pending in the FY 1995 Energy and Water Appropriation for PED.

This project is desperately needed if the Tennessee Valley is to reach its true potential. The cost/benefit ratio for this project is high: 1.7 to 1. If the project is authorized this year and assuming that funding exists at a rate required to support the schedule in the Project Management Plan, then construction can begin by 1996 on a relocation contract and by 2002 on the lock, with completion sometime around 2007. If the project is not authorized, then significant repairs will need to be made on the existing lock due to its inability to meet current needs.

Unlike the Upper Mississippi River projects that face severe opposition from those with environmental concerns, the Kentucky

85-091 95 – 7

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Lock project is supported by local citizens. Another important factor for the Committee to weigh is the fact that authorizing this work will be a tremendous economic boost for areas lying outside of Kentucky's First District. The entire Tennessee River Valley system would see many new jobs created with the completion of this necessary lock expansion.

I would ask that this Committee proceed to authorize the Corps of Engineers to perform this needed work.

Hickman Bluff Repair

The town of Hickman, which lies along the Mississippi River in far western Kentucky, is falling in to the river due to a severe bluff erosion problem. Understandably, the local citizens are very concerned about this situation. They must look to Washington for assistance given the nature of the problem. The Corps of Engineers has already performed a study of how to correct this situation and is ready to begin the corrective measures. The Corps estimates that it will cost at least $3,000,000 to repair the Hickman Bluff.

The FY 95 Senate Energy and Water Appropriations legislation includes a $3 million appropriation for this project. However, this appropriation is conditioned on the project receiving authorization. This project can be accomplished this year if you can find a way to include it in your authorization legislation.

Thank you.

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Subcommittee on Water Resources and Environment
July 19, 1994

Statement

Thank you, Chairman Applegate for holding today's hearing on the reauthorization of the Water Resources Development Act. It is crucial that we get a strong bill passed by Congress this year. If we do, it will be because of your strong leadership.

It is my pleasure to welcome two distinguished members of the Florida Delegation to our Subcommittee today. It is my understanding that Congressmen Deutsch and Shaw will be testifying regarding the need for a research and quarantine facility in South Florida for the Melaleuca and other exotic plant species which threaten native ecosystems. It is my hope that this Subcommittee will include their bill to authorize this project in the Water Resources Development Act of 1994 because it is critical to the survival of the Everglades National Park and to South Florida's water supply.

Decades ago, an Australian weed called Melaleuca was brought to Florida to help dry up the Everglades which was then considered a wasteland. Unfortunately, Melaleuca has done its job too well. The weed consumes four to five times more water than do the plants in the Everglades. The State of Florida is losing 52 acres a day to Melaleuca. As a result, it threatens to replace and eliminate Florida's indigenous plants and the animals that live in the Everglades. The Melaleuca is turning the Everglades' unique environment teeming with life into a dry, monospecific forest.

The USDA believes that the solution to this problem is to use Australian pathogens and insects to check the spread of the weed, which has no natural enemies here. A research and quarantine facility in South Florida is vital to USDA's efforts because currently no quarantine facility exists to house the insects before they are released into the Everglades. The total cost of this facility is $4 million. $1 million has already been appropriated, an additional $3 million authorization and appropriation is needed. I believe that this is a small price to pay to preserve the Everglades, and more importantly the quantity of water in South Florida.

Mr. Chairman, I hope that we can work with Congressmen Deutsch and Shaw to authorize the additional funding needed for this facility. Thank you.

Committee on Public Works and Transportation

Subcommittee on Water Resources and Environment

Hearing on the Water Resources Act of 1994
and Issues Related to the Authorization of
The Civil Works Program of the U.S. Army Corps of Engineers

Testimony of Congressman Jim Cooper

****

Tuesday, July 19, 1994

Good morning, Mr. Chairman. I appreciate this opportunity to testify before you and the other members of the subcommittee regarding the protection of the Clifton Marina in Wayne County, Tennessee.

The Clifton Marina is on a peninsula that forms a protected harbor. Marina services include a covered boat storage facility, campground, boat launching ramp, restaurant, bait and tackle shop and general store. The Marina is currently being threatened by the rapid erosion of the bank of the Kentucky Lake portion of the Tennessee River. The bank erodes at a rate of six feet per year. The erosion has advanced to within three feet of the access road of the Marina, as well as a main waterline. Parts of the road could be lost and exposure of the waterline could occur at any time. Campsites, utilities, and parking are all threatened by the encroaching bank.

To save the Marina, this erosion must be stopped. The U.S. Army Corps of Engineers can augment the shoreline with stone and filler to prevent the bank from wearing away, and the Marina from being closed. The total cost of these measures is $255,000.

Under Section 14 of the Flood Control Act of 1946 and amendments the COE performs emergency streambank stabilization for health and safety purposes. Although the Marina shoreline project clearly falls within these purposes the COE has determined that it is not imminent. In its evaluation however, the COE only valued the Clifton facilities at immediate risk - the access road, two utility poles and the waterline. The COE valued these facilities at a cost of $55,000. The COE did not take into account the value of the other facilities which will be at risk in the very near future - the campground, the parking area, boat launching ramp, or the land which will be protected by the streambank. I am introducing this bill to require the COE to take a more realistic view of the immediacy of this project.

A BILL

To require the United States Army Corps of Engineers to construct streambank protections for Clifton, Tennessee.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Army, acting through the Chief of Engineers, is directed to construct, under Section 14, Public Law 79.5, 1,150 feet of streambank protection along the south shoreline of the City of Clifton, Tennessee, for the purpose of reducing and eliminating erosion on park and marina lands operated and maintained under a city lease. The total cost for the protection measures are estimated to be $255,000 and the non-Federal cost-share shall be in accordance with Section 603 of the Water Resources and Development Act of 1986 (Public Law 99-662).

TESTIMONY OF REPRESENTATIVE PETER DEUTSCH

SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT
COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

July 19, 1994

Good morning. I am testifying today, on behalf of the people of Florida, about melaleuca--an exotic plant listed on the Federal Noxious Weed List. Melaleuca was imported from Australia at the turn of the century to "dry up" the swamps of South Florida. Now this pest plant is rapidly spreading throughout the Everglades and southern Florida at a rate of 52 acres per day. If it continues unchecked, melaleuca is anticipated to spread throughout coastal wetland areas of the South. Tomorrow, I will be introducing a bill with my colleague Clay Shaw--and a number of other Members of the Florida delegation--to authorize construction of a quarantine facility to identify melaleuca-eating insects and other biological control agents. It is my hope that you will include such an authorization in the Water and Resources Development Act.

First, I would like to thank you for your supporting this project in the past. As you may recall, this project was originally authorized in Section 108 of the 1992 Water Resources Development Act. The 1992 Act directed the Secretary to construct, in consultation with the Governor of Florida, a research and quarantine facility in Broward County, Florida. This facility was to be used in connection with efforts to control Melaleuca and other exotic plant species that threaten the native ecosystems of South Florida.

After construction of this facility, the 1992 Act specifies that the facility is to be transferred to the Secretary of Agriculture to be jointly operated by the Department of Agriculture and the State of Florida. Finally, the 1992 Act authorized $1 million in appropriations to fund construction of this facility.

The amount authorized to date would fund the design phase and initial construction phase of this project. However, an additional authorization is required to fund construction of the actual quarantine laboratories and greenhouses which will be used to test melaleuca-eating insects and other biological control agents. These facilities will be designed, constructed, and maintained to eliminate the possibility of accidental escape by test organisms.

I am pleased to report that several promising candidate species have already been identified from a pool of some 400 insects. Research efforts now focus on two candidate species: a weevil (*Oxyops vitiosa*) and a sawfly (*Lophyrotoma zonalis*). While the weevil has been imported to quarantine facilities in Gainesville, Florida for preliminary testing, research efforts are presently limited by the constraints of existing laboratory space at the Gainesville facility.

The University of Florida is prepared to donate land for this facility at its Fort Lauderdale Research and Education Center. In addition, the Agriculture Research Service of the Department of Agriculture has already assigned a scientist to search for and evaluate candidate biocontrol agents for this project. To clarify the cooperative objectives of this project, the Corps of Engineers is currently drafting a Memorandum of Understanding with the Department of Agriculture. Now, to proceed with design and construction of the quarantine laboratory, this project needs an additional authorization from your Subcommittee.

Therefore, I strongly urge you to continue your support of this project by authorizing an additional $3 million in funding for the construction phase of this project. Thank you, Mr. Chairman.

TESTIMONY
HONORABLE CAL DOOLEY
REPRESENTATIVE, 20TH DISTRICT OF CALIFORNIA

BEFORE THE SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT

July 19, 1994

Mr. Chairman, thank you for the opportunity to testify on the Water Resources Development Act of 1994.

My colleage, Rick Lehman, and I represent the San Joaquin Valley of California, the most productive agricultural region in the world. That productivity was made possible by the water resources development projects of the Bureau of Reclamation and the U.S. Army Corps of Engineers. Federal flood control and water supply projects on the Kaweah, Tule, Kings, San Joaquin and Sacramento rivers form the very foundation of the San Joaquin Valley economy. The government's investment in those projects has paid high dividends in the form of jobs, tax revenues and food.

In recent years, the operation of federal water projects in California has become the source of great controversy. Rapid population growth and environmental problems have placed ever increasing demands on the available water supply. The result has been conflict among various water users, and between water users and the environment.

Mr. Chairman, I am here today to ask the Committee's assistance in advancing projects and programs aimed at reducing

environmental conflicts surrounding California water projects operated by the Corps of Engineers.

First, Representative Lehman and I will ask the Committee to include in the water resources act statutory and report language to accelerate the study and implementation of fish and wildlife habitat improvement measures on the Kings River.

Pine Flat Dam on the Kings River was built by the Corps nearly 40 years ago. The dam and reservoir provide flood protection and water for more than 1 million acres of farmland and nearly 800,000 people. Water is diverted from the river for agricultural use by 28 water districts that hold water rights on the Kings.

The Corps of Engineers has recently completed the reconnaissance phase of a study aimed at improving the fish and wildlife habitat in the Kings River below Pine Flat Dam and in Pine Flat Reservoir. The study has identified several specific habitat restoration actions that the Corps is now preparing to examine in a feasibility study cost-shared by Kings River water users. Those measures include raising Pine Flat Dam to increase water for fish and wildlife; installation of a temperature control structure to enhance downstream trout habitat; installation of a turbine bypass to increase the project's ability to control river temperatures; water transfers to increase instream flows; and creation of a new wetlands and other riparian habitate

improvements.

The Corps estimates that the feasibility study will take four years to complete and that it will be another two or three years after that before work on these measrues could begin. Six or seven years is a long time to wait.

The provision that Representative Lehman and I are proposing will direct the Corps to undertake some of those habitat improvement measures under Section 1135 of the Water Resources Development Act of 1986. As you know, Section 1135 authorizes the Corps to make modifications to existing projects to improve the environment. Section 1135 projects typically take only three years to get underway.

Our proposal would specifically direct the Corps to do the turbine bypass as a Section 1135 project, and to undertake other measures from the study that are appropriate for that program. Though the turbine bypass alone will not solve the fish habitat problems on the Kings River, this simple and inexpensively priced improvement ($2.3 million) will significantly enhance the project's operational flexibility for temperature control. Under Section 1135, it could be on line in just a few years.

Some of the other items in the reconnaissance study, such as the raising of Pine Flat Dam, are not suitable for the 1135 program. Our proposal directs the Corps to proceed with a feasibility

study on those features.

In addition, I want to work with the Committee tc develop programs that would allow the Corps to assist in the implementation of water basin management plans and water conservation programs that will benefit both the invironment and water users in California. I will explore these ideas with the Committee in the near future.

I also want to bring to the Committee's attention a problem regarding the operation of the Red Bank and Fancher Creeks project near the City of Fresno. Several weeks ago, Representative Lehman and I wrote to the Corps of Engineers to express our concern about project operation criteria that conflict with the operations of the Fresno Irrigation District. The Irrigation District's facilities are an important part of the City's flood control system, and the Corps' operating criteria for the Red Bank project may actually <u>increase</u> the risk of flooding in certain areas served by the District.

We asked the Crops to work cooperatively with local agencies to resolve this problem, but the Corps has not responded to our request. It may be necessary for the Committee to take appropriate steps to ensure the Corps' cooperation in this matter.

Finally, I want to call the committee's attention to a problem

that has emerged with regard to the feasibility study on the Terminus Reservoir enlargment on the Kaweah River. The Kaweah River Water District initially agreed to a cost share agreement for a $1.6 million study, but the cost of completing the feasibility study has risen far beyond the amount originally agreed to by the local sponsors. In fact, the cost estimates have been adjusted three times, so that the total cost of the study now stands at approximately $2.9 million -- nearly twice the originally agreed upon amount. I would like to work with the committee in coming up with legislative language that instructs the Corps that any costs exceeding the $2.9 million be assumed by the Corps. I would also like to see that the Corps is instructed to finish the study even if the $2.9 million level is surpassed.

Thank you, Mr. Chairman.

TESTIMONY REP. SAM FARR BEFORE PUBLIC WORKS AND TRANSPORTATION SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT ON THE REAUTHORIZATION OF THE WATER RESOURCES DEVELOPMENT ACT

July 19, 1994

Chairman Applegate and Members of the Subcommittee, I would like to thank you for the opportunity to testify before you today. As you consider the reauthorization of the Water Resources Development Act, I would like to bring three projects to your attention. I believe that they would bring significant benefits to the citizens of the 17th District of California, while costing a relatively small amount of federal dollars.

SAN LORENZO RIVER FLOOD CONTROL AND RESTORATION PROJECT

This is an ongoing project. It is my understanding that the Corps of Engineers agrees that the project should be authorized for construction in the Water Resources Development Act of 1994 so that progress toward completion of this important project can go uninterrupted.

BACKGROUND

The flood problems of the San Lorenzo River date back to 1955, when a disastrous flood hit the city of Santa Cruz and resulted in damages of $40 million in current dollars. In response, the U.S. Army Corps of Engineers built a channel and levee flood control project. However, sediment buildup eventually raised the river bed to its original level. It has been estimated that a flood comparable to the 1955 flood would cause damages to the area of up to $90 million. The people of Santa Cruz have lived under a threat of a devastating flood for many years and are anxious to find a safe and permanent solution to this problem. Studies conducted after heavy storms in 1981 and 1982 suggested that earlier information on river behavior and flows was erroneous and subsequently, Congress authorized a new study in 1986, known as the San Lorenzo River Flood Control Project.

CURRENT STATUS

Annual federal appropriations in addition to considerable local resources have funded the reconnaissance study and pre-engineering and design phases of the project. The Chief's Report for the feasibility study for the San Lorenzo River Flood Control Project was signed on June 30, 1994, and the U.S. Army Corps of Engineers is currently on schedule with the engineering and design of the project.

RESTORATION WORK UNDER SECTION 1135

In addition to the flood control project itself, I particularly wanted to ask the committee to authorize the Corps of Engineers to undertake the environmental restoration work associated with the San Lorenzo River Flood Control Project under Section 1135. I believe that it is important to coordinate the environmental restoration with flood control efforts rather than to deal with them separately in two different District Offices. Significant savings can be achieved in the long run if these projects are undertaken together, because the environmental improvements would be constructed as a part of the existing flood control project. The two are not physically separate, and to treat them as such would lead to unnecessary and duplicative costs.

COST

The Corps of Engineers has established that the total costs of the restoration will be $4.05 million. The local sponsor of the project, the City of Santa Cruz, is prepared to contribute 25 percent, or $1,012,500 to its completion. In addition to providing long awaited flood protection to the citizens of Santa Cruz, I truly believe that the environmental improvements will serve as an example to other American communities of how to restore flood control levees as well as the surrounding environment.

I hope that you will support our efforts to complete this important flood control project and environmental restoration in a timely manner.

PAJARO RIVER FLOOD DAMAGE PREVENTION PROJECT

This is also an ongoing Corps of Engineers Project.

BACKGROUND

The Construction of levees to provide a 50 year level of flood protection was completed by the Corps of Engineers in June 1949. Subsequent to construction, two major floods nearly exceeded the capacity of the project. As a result, additional studies were authorized and a project to provide a higher level of flood protection was identified. Lack of local sponsorship placed the project on a deferred status until increased flooding upstream in the 1980's spurred local support for additional studies. The existing project provides less than a 20 year level of flood protection along the Pajaro River due to changes in basin hydrology.

CURRENT STATUS

The reconnaissance study is examining alternative plans for flood control improvements. It is supported by local interests, and a new tax assessment zone has been established to finance the feasibility study and the project. The Counties of Santa Cruz and Monterey, the local sponsors, support the study , understand the two phase planning process, and are participating in 50-50 cost sharing of feasibility phase studies.

COST

Additional funding required for the reconnaissance and the feasibility study phases of the project is $570,000.

SANTA CRUZ HARBOR ANCHOVY PROJECT

BACKGROUND

Mr. Chairman, I would also like to request the Committee's assistance with a significant problem facing the Santa Cruz Harbor, located in my congressional district. Roughly once every eight to ten years (1964, 1974 and 1984), a massive influx of up to two thousand tons of anchovies invade Santa Cruz Harbor waters. The anchovies die due to overcrowding and the resulting lack of oxygen. The result is tens of thousands of dollars worth of damage to commercial and recreational vessels, an enormous cleanup cost for the Harbor District and a nearly unbearable public nuisance for the people of Santa Cruz, particularly those residents in the immediate vicinity of the Harbor.

In addition, Mr. Chairman, the anchovy kill represents an impediment to economic growth and the creation of jobs in the Harbor area. Because of the annual threat of the anchovy kill in the Harbor, commercial uses of the lands in the immediate vicinity of the Harbor are more limited than they would be otherwise.

Over the last thirty years, the Santa Cruz Port District has tried a variety of solutions to this problem. But none of the attempts have succeeded. Particularly troublesome has been finding a solution that will not impede boat traffic in and around the harbor.

NEW TECHNOLOGY: UNDERWATER SOUND SCREEN

A promising option, however, has recently been identified by the Port District: the use of underwater sound to guide anchovies.

The technology proposed for use at Santa Cruz Harbor is similar to technology recently field tested on the Sacramento River and in the Sacramento-San Joaquin Delta.

In the Sacramento River tests, the use of military grade sound generation equipment, combined with a new biologically-based signal development process, has resulted in the diversion or "screening" of over 89 percent of out-migrating salmon smolts. If similar results are achieved in the Santa Cruz tests, the costly problem of the anchovy kills will no longer threaten the Harbor and the surrounding residents.

This technology, however, has not been tested in the open marine waters like those at the entrance of Santa Cruz Harbor. And, if it is as effective in the marine environment as it has been in the Sacramento River and the Delta, the information garnered from this demonstration project could prove enormously beneficial to other port districts around the country that have a need to keep other unwanted species from their harbors.

COST

The total cost of this project is estimated to be $1,675,000, over a three year period. A proposed annual budget for the project is attached to my testimony, Mr. Chairman.

The Port District proposes to install a full-scale guidance system in the first year of the test. The sound guidance system will be customized to the fish and site conditions by incorporating bio-engineering and signal development concepts developed and field verified since the late 1980's. State-of-the-art underwater sound hardware used by sonar systems for navies worldwide will also be utilized in the project.

Fish swimming speeds, water velocities, location of fish in the water column, bathymetry, bottom type and tidal hydraulics will be analyzed over the three-year study period to optimize the effectiveness of the sound field.

And, the system will not impede use of the harbor. Speakers for the system will be placed outside the harbor entrance below boat draft depth so boat movement will be unrestricted. Amplifiers, cable and controllers will be located on land a suitable location around the Harbor.

Mr. Chairman, this is an important project for Santa Cruz Harbor and the community of Santa Cruz. The assistance of the Corps of Engineers s greatly needed. Without the Corps' assistance, the anchovy problem will continue to be a threat to the Harbor and continue to restrict the commercial uses of the area surrounding the Harbor. I respectively ask for your favorable consideration of this request.

VIC FAZIO
THIRD DISTRICT
CALIFORNIA

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STATEMENT BY CONGRESSMAN FAZIO
BEFORE THE SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT
OF THE PUBLIC WORKS & TRANSPORTATION COMMITTEE
REGARDING THE WATER RESOURCES DEVELOPMENT ACT OF 1994
JULY 19, 1994

Mr. Chairman and members of the Subcommittee, I appreciate the opportunity to appear before you today. I want to begin by thanking you for your generous support in the past and for your understanding of the complex water issues facing those of us who represent Northern California.

Montezuma Wetlands Project

As you know, the San Francisco Bay Area has a serious problem in disposing of dredged materials. In-bay disposal is effectively prohibited and ocean disposal gives rise to some significant environmental concerns. A very sensible, environmentally attractive, and fiscally responsible alternative would be upland disposal at a site that would be turned into wetlands and dedicated to the public.

The proposed Montezuma Wetlands Project in my district could take care of the Bay Area's dredge disposal problem for a number of years, including the impending Baldwin Channel and Port of Oakland deepenings. The incremental costs of upland disposal compared to ocean disposal, if any, are estimated to be less than two dollars per cubic yard. Moreover, variables associated with ocean disposal such as increased costs associated with weather delays and increased equipment requirements could add to ocean disposal costs, thus making upland disposal all the more economically attractive.

The costs of the wetlands created would be about one-third of the market value for wetlands when used as mitigation. Any incremental cost would be further reduced by the additional payroll taxes that would result from an annual payroll envisioned at the Montezuma Project of one to two million dollars.

In the Water Resources Development Act of 1986[1], your Committee indicated that it favored projects such as Montezuma

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[1] Section 907.

and in WRDA 1992[2] the committee confirmed the desirability of the Corps having an upland disposal-wetlands creation alternative. Unfortunately, local sponsors will resists absorbing a prorated share of additional costs of upland disposal, if any. Therefore, to make this much-needed and sensible alternative viable, the federal government will have to consider absorbing any difference and crediting the local project sponsors with wetland creation or enhancement benefits in terms of cost sharing. This would be totally consistent with stated Federal policy that restoration, enhancement and creation of wetlands is in the national interest.

This cost sharing proposal is not project specific. It is generic, simply giving the Corps discretion to invoke the uplands disposal-wetlands creation alternative when the incremental cost of invoking the alternative is reasonable and is offset by the value of the wetlands created. It is important to note the requirement that the created wetlands be dedicated to public use; they cannot be sold or used for mitigation. I urge you to include a directive to the Corps in WRDA 1994, to establish specific procedures in their project formation guidelines incorporating the upland disposal-wetlands creation alternative.

While I know that the Chairman is familiar with this proposal, I am submitting for the record further information related to the Montezuma Slough project. Finally, let me say that my Bay Area colleagues fully support the uplands disposal concept and the Montezuma Wetlands Project.

Delta Islands Acquisition

Mr. Chairman, I would also like to ask the Subcommittee's assistance in authorizing the Corps of Engineers to make land acquisitions in the Sacramento-San Joaquin Delta for hydraulic and environmental mitigation in association with the Sacramento River Flood Control Project and other projects and potential projects impacting the stages of the Sacramento and American rivers.

Wetlands and riparian forests once covered about 5 million acres of the Central Valley before intensive settlement began in the late 1800s. Flood-control projects and the conversion of natural wetlands, like the Delta islands, to agricultural production have reduced wetlands and riparian forest habitat throughout the Valley to less than one-tenth their earlier size. The losses of tidal marshlands have been even greater. Today, less than five percent of the vast tidal marshlands that existed in the Delta in the last century remain.

The greatest loss of wetlands occurred from 1906 through 1922 largely as a result of the construction of the large flood

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[2] Section 204.

control projects, like the Sacramento River Flood Control Project, and reclamation projects. And, because of the significant impact of the flood control projects on wetlands in the Central Valley, the Corps of Engineers has made wetland restoration efforts, like the Yolo Basin Wetlands Initiative, a high priority.

The Corps, however, must do more. Mitigation, by today's standards, for the environmental impacts of the Sacramento River Flood Control Project and other Corps projects impacting the Sacramento River has been inadequate. No one disputes this.

In the acquisition of some of the Delta Islands, like Jersey Island, Twitchell Island, Webb Tract, Little Holland Tract and Liberty Island to name a few, the Corps has the opportunity to not only achieve substantial environmental benefits but measurable flood control benefits as well. For example, by making additional breaks in the levee systems protecting Liberty Island and Little Holland Tract these two islands would afford a more rapid escapement of flood flows from the Yolo Bypass, a major flood control feature of the Sacramento River Flood Control Project. This would increase the available freeboard for flood control and other purposes elsewhere in the Yolo Bypass.

These islands also support migrant and resident waterfowl as well as shorebirds, including mallards, ring-necked ducks, American wigeon, white pelicans, western grebe, and great blue heron. These islands can support populations of the giant garter snake, an endangered species, and the tricolored blackbird, a category two candidate for listing under the Endangered Species Act.

In a flooded state, these islands provide valuable habitat for the listed Delta smelt and winter run chinook salmon. The shoal-like conditions available at these islands provides valuable spawning and rearing habitat for the Delta smelt as well as other warm water fish species that breed in shallow Delta waters. Winter run chinook salmon smolt also prefer the shallow, well vegetated shoreline and marsh areas, which could be created at these islands.

Mr. Chairman, in summary, there are significant opportunities to purchase very high quality wetlands in the Delta that will yield significant flood control benefits upstream. And, these two objectives can be achieved at a very reasonable cost. I respectfully request the Subcommittee to authorize the Corps of Engineers to spend up to $20 million on such acquisitions. I ask the Subcommittee to work with me on the specific language to authorize these acquisitions.

Colusa Basin Drainage District, Watershed Integrated Resource Management Program.

Mr. Chairman, I would also like to request your support for the authorization of a pilot project to support several Watershed Integrated Resource Management Programs in California.

One good example of these projects can be seen in the Colusa Basin Drainage District's proposal to put in place an Integrated Resource Management Plan, which seeks to develop flood control, water quality, water supply, environmental restoration solutions for an entire watershed on a voluntary basis.

Almost all of the water on the west side of the Sacramento Valley -- more than 1,000,000 acres -- drains into the Colusa Basin Drain and eventually into the Sacramento River at Knights Landing. The drain was constructed to accommodate 200,000 acres of irrigated land, yet now -- when there is water -- the drain handles the runoff from more than 600,000 acres of irrigated land.

The water erodes the soil, fills the streams, the drain and the river. By constructing small diversions to create stock ponds, doing streambed restoration work, putting in streambank plantings, and by initiating voluntary, on farm management practices, everyone benefits. Cattle ranchers are expected to have more water and grass for a longer season, which means greater profits. Soil erosion is prevented. Groundwater recharge is enhanced. Wildlife habitat is provided. Chemical nutrients are degraded. And the water quality of the Sacramento River and its tributaries is improved.

This is the kind of voluntary program that needs the support of the Corps of Engineers as well as other resource agencies, if it is to succeed. It is for this reason that I ask that Subcommittee to consider authorizing the Corps to become a partner in helping local farmers, water managers, state and other federal agencies, environmentalists and the citizens of affected towns to identify projects that will benefit the basin.

This project can succeed because it emanates out of coalition building. Convening diverse groups and building partnerships provides a broad foundation for implementing change. And, I think we should make every effort to encourage this type of initiative.

Mr. Chairman, I would recommend that this assistance be provided in the form of a cooperative agreement with the non-federal sponsors. It is critical to the success of this effort, which relies heavily on local control, that the Corps not dominate but rather facilitate the completion of these very important watershed reclamation and wetlands restoration projects.

I would ask the Subcommittee to work with me to determine the most effective manner in which to authorize the Corps to support these efforts.

Financing for Water Conservation

Finally, Mr. Chairman, I would like to ask the Subcommittee to explore opportunities to encourage the suppliers of both agricultural and municipal and industrial water to invest in water and energy conservation improvements.

The cost of financing such improvements can often make the difference between a district's ability to make the investment in water and energy conservation measures and being forced to unnecessarily use more of a resource than is necessary.

For this reason, I encourage the Subcommittee to explore opportunities to reduce the cost of borrowing for these purposes. One model can be found in this Committee's authorization of a federal line of credit for the Foothill/Eastern Transportation Corridor Agency for the construction of a toll road in Southern California.

Under this example, the authorization of $10 million in appropriated funds supports a principal amount of $120 million, which in turn is used to support construction bonds in excess of $1 billion.

This same line of credit concept could help make water and energy conservation improvements more affordable for urban and rural water users alike by simply helping to lower the interest rate on the capital they borrow to make the improvements. Clearly, this would seem to be a cost-effective use of our limited federal resources.

Mr. Chairman, it is always a pleasure to appear before you and the Committee. I want to thank you for your generous support in the past and for your efforts here today on this important piece of legislation. Thank you for your time and consideration.

VIC FAZIO
Third District
California

DEMOCRATIC CAUCUS-VICE CHAIR
DEMOCRATIC STEERING AND POLICY COMMITTEE
APPROPRIATIONS COMMITTEE
SUBCOMMITTEES:
ENERGY AND WATER DEVELOPMENT
LEGISLATIVE
MILITARY CONSTRUCTION

Congress of the United States
House of Representatives
Washington, DC 20515-0503

PLEASE RESPOND TO:
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Washington, DC 20515-0503
(202) 225-5716
☐ 7220 Main Street
Sacramento, CA 95820-5407
(916) 566-5421
☐ 235 Pine Street, 6th
San Francisco, CA 94080-3315
(415) 525-5420
☐ 501 Lake One Blvd., #17
Twin City, CA 94591-3445
(510) 672-5494

March 17, 1994

The Honorable Norman Mineta
Chairman
Committee on Public Works and
Transportation
2165 Rayburn H.O.B.
Washington, D.C. 20515

Dear Mr. Chairman:

As you know, I have been very interested for a number of years in passing legislation that would direct the Corps of Engineers to consider disposing of San Francisco Bay Area dredged materials at upland sites to create wetlands instead of ocean disposal or effectively prohibited in-bay disposal. This would be totally consistent with the stated federal policy that restoration, enhancement and creation of wetlands is in the national interest.

Section 204 of WRDA 1992 confirmed the desirability of giving the Corps this option, but did not go far enough. The objective is to render the cost of upland disposal of dredged material for wetland creation, restoration, or enhancement an attractive alternative to conventional aquatic disposal to local sponsors of federally authorized navigational projects and to the Corps, if such cost is reasonably close to aquatic disposal. WRDA 1994 should provide that the difference in cost, if any, between the cheapest navigation dredging disposal plan and one that would restore, enhance or create wetlands would result in federal benefits to the extent that the federal government would absorb the difference or that the local project sponsor would be credited with wetland creation or enhancement benefits in terms of cost sharing. The created wetlands would be dedicated to the public and the value of their benefits would be established by recognized methods.

In its Report on the 1993 Energy and Water Development Appropriations Bill (H.R. 2445), the Committee urged the Corps to do this at page 33, as follows:

> In instances where the cost of upland disposal is the same or approximately the same as ocean disposal, the Committee urges the Corps of Engineers to estimate the alternative costs or if necessary, allow navigation projects to be bid using both disposal alternatives, and favor upland disposal if beneficial wetlands are created. If there is additional incremental costs associated with upland disposal and such cost is reasonable, then the Corps of Engineers should, consistent with section 907 of the Water Resources Development Act of 1986 (Public Law 99-962), determine the overall benefit of the wetlands to be created or enhanced and credit the benefit against the incremental cost.

Experience indicates that the Corps and local sponsors do not appear to be able to incorporate the upland wetlands creation alternative without a directive to establish specific procedures to include this action in their project formulation. I urge you to include such a directive in WRDA 1994.

Sincerely,

VIC FAZIO
Member of Congress

VF/jdh

LEVINE•FRICKE
ENGINEERS, HYDROGEOLOGISTS & APPLIED SCIENTISTS

May 25, 1994

To: Vic Fazio

From: James D. Levine

Subject: Major Benefits of the Montezuma Wetlands Project

The following is a "short-list" of major benefits of the Montezuma project and beneficial use of dredge materials in general:

Environmental Benefits - Beneficial use of dredged materials is an efficient way to create and restore wetlands in the San Francisco Bay estuary. The Montezuma project will result in over 1,800 acres of restored tidal wetlands, specifically targeting habitat for threatened and endangered species. The incremental costs for using dredged sediments in this endeavor (under $2 per cubic yard, as opposed to ocean dumping, where there is environmental detriment) work out to less than $20,000 an acre, well under the market value for wetlands used as mitigation (upwards of $50,000 per acre). The federal government will retain the benefit of these wetlands through dedication to the public for perpetual enjoyment.

Jobs - The use of dredged sediments to create wetlands results in many more jobs that would be realized simply to dump the material in the ocean. The Montezuma project envisions an annual union payroll of $1,000,000 to $2,000,000 per year during offloading operations. In addition, jobs for up to a hundred Conservation Corps (youth) workers would be created during the planting phase of the project. Although we haven't quantified it, the federal government gets some of this money back through additional payroll taxes.

Economic Benefits - Having an environmentally acceptable dredged material disposal site (with over 20 million cubic yards capacity) will accelerate dredging of Northern California ports, harbors and channels, greatly reducing the controversy and time lost due to environmental challenges to disposal of sediments in the San Francisco Bay and Ocean. Timely dredging facilitates growth in the multi-billion dollar West Coast shipping industry, critical to Pacific Rim trade and manufacturing throughout the U.S..

The above-mentioned items are widely accepted as fact, which is the reason the Project has been endorsed by shipping interests, business, labor and environmental groups such as the Sierra Club.

1900 Powell Street, 12th Floor
Emeryville, California 94608
(510) 652-4500
Fax (510) 652-2246

COST COMPARISONS - JOHN F. BALDWIN SHIP CHANNEL DEEPENING

BASIC COSTS

DISPOSAL SITE	VOLUME (CY)	DREDGE + HAUL COST($)	$/CY	LAND DISPOSAL COST* COST($)	$/CY	DREDGE,HAUL,DISP SUBTOT COST($)	$/CY
OCEAN	$8,500,000	$76,500,000	9.00	$0	0	$76,500,000	9.00
MONTEZUMA WETLANDS	$8,500,000	$25,500,000	3.00	$59,500,000	7.00	$85,000,000	10.00

* ON SITE COSTS

CASE I: OCEAN (8.5 MCY)

	TOTAL COST($)	$/CY
DREDGE + HAUL	$76,500,000	9.00
LAND DISPOSAL COST	$0	0.00
MOB + E&D + SIOH	$38,250,000	4.50
CASE I TOTAL	$114,750,000	13.50

CASE II: MONTEZUMA WETLANDS (8.5 MCY)

	TOTAL COST($)	$/CY
DREDGE + HAUL	$25,500,000	3.00
LAND DISPOSAL COST	$59,500,000	7.00
MOB + E&D + SIOH	$38,250,000	4.50
CASE II TOTAL	$123,250,000	14.50

NOTES:
1. Ocean costs may increase an additional $1-$2/cy due to weather delays and increased equipment requirements.
2. In-Bay costs will decrease if tandem tows are used.
3. Dredging costs based on all clam work at 4,000 cy/day (178 cy/hr) average production.

PORT OF OAKLAND DEEPENING

COST COMPARISONS - DEVELOPED FROM CORPS ESTIMATES

BASIC COSTS USED TO DEVELOP CASES I & II

DISPOSAL SITE	VOLUME (CY)	DREDGE + HAUL COST($)	$/CY	LAND DISPOSAL COST* COST($)	$/CY	DREDGE,HAUL,DISP SUBTOTAL COST($)	$/CY
OCEAN	2,300,000	$30,130,000	13.10	$0	0	$30,130,000	13.10
GALBRAITH	1,300,000	$8,697,000	6.69	$9,165,000	7.05	$17,862,000	13.74
SONOMA BAYLANDS	2,000,000	$13,480,000	6.74	$19,900,000	9.95	$33,380,000	16.69
MONTEZUMA WETLANDS	3,600,000	$32,184,000	8.94	$25,200,000	7.00	$57,384,000	15.94
P. OF OAKLAND LANDFILL	100,000	$5,921,000	59.21	INCLUDED		$5,921,000	59.21

* ON SITE COSTS

CASE I: GALBRAITH (1.3 MCY) + SONOMA BAYLANDS (2.0 MCY) + P. OF OAKLAND LANDFILL (0.1 MCY) + OCEAN (2.3 MCY)

	TOTAL COST($)	$/CY
DREDGE + HAUL	$58,228,000	10.22
LAND DISPOSAL COST	$29,065,000	5.10
MOB + E&D + SIOH	$25,650,000	4.50
CASE I TOTAL	**$112,943,000**	**19.81**

CASE II: SONOMA BAYLANDS (2.0 MCY) + P. OF OAKLAND LANDFILL (0.1 MCY) + MONTEZUMA WETLANDS (3.6 MCY)

	TOTAL COST($)	$/CY
DREDGE + HAUL	$51,585,000	9.05
LAND DISPOSAL COST	$45,100,000	7.91
MOB + E&D + SIOH	$25,650,000	4.50
CASE II TOTAL	**$122,335,000**	**21.46**

NOTES:
1. Additional RWQCB requirement costs for Galbraith not included.
2. Ocean costs may increase an additional $1-$2/cy due to weather delays and increased equipment requirements.
3. In-Bay costs will decrease if tandem tows are used.
4. Dredging costs based on all clam work at 4,000 cy/day (178 cy/hr) average production.

PORT OF OAKLAND DEEPENING

"MOST LIKELY" COST COMPARISONS

DISPOSAL SITE	VOLUME (CY)	DREDGE + HAUL COST($)	$/CY	LAND DISPOSAL COST* COST($)	$/CY	DREDGE,HAUL,DISP SUBTOTA COST($)	$/CY
OCEAN	2,300,000	$22,597,500	9.83	50	0	$22,597,500	9.83
GALBRAITH	1,300,000	$6,513,000	5.01	59,166,950	7.05	$15,679,950	12.06
SONOMA BAYLANDS	2,000,000	$10,110,000	5.06	$19,900,000	9.95	$30,010,000	15.01
MONTEZUMA WETLANDS	3,600,000	$24,138,000	6.71	$25,200,000	7.00	$49,338,000	13.71
P. OF OAKLAND LANDFILL	100,000	$5,921,000	59.21	INCLUDED		$5,921,000	59.21

* ON SITE COSTS

CASE I: GALBRAITH (1.3 MCY) + SONOMA BAYLANDS (2.0 MCY) + P. OF OAKLAND LANDFILL (0.1 MCY) + OCEAN (2.3 MCY)

	TOTAL COST($)	$/CY
DREDGE + HAUL	$45 141,500	7.92
LAND DISPOSAL COST	$29,066,950	5.10
MOB + E&D + SIOH	$25,650,000	4.50
CASE I TOTAL	**$99,858,450**	**17.52**

CASE II: SONOMA BAYLANDS (2.0 MCY) + P. OF OAKLAND LANDFILL (0.1 MCY) + MONTEZUMA WETLANDS (3.6 MCY)

	TOTAL COST($)	$/CY
DREDGE + HAUL	$40,169,000	7.05
LAND DISPOSAL COST	$45,100,000	7.91
MOB + E&D + SIOH	$25,650,000	4.50
CASE II TOTAL	**$110,919,000**	**19.46**

NOTES:
1. Additional RWQCB requirement costs for Galbraith not included.
2. Ocean costs may increase an additional $1-$2/cy due to weather delays and increased equipment requirements.
3. In-Bay costs will decrease if tandem tows are used.
4. Dredging costs based on all clam work at 4,000 cy/day (178 cy/hr) average production.

STATE OF CALIFORNIA

PETE WILSON, Governor

SAN FRANCISCO BAY CONSERVATION AND DEVELOPMENT COMMISSION

THIRTY VAN NESS AVENUE, SUITE 2011
SAN FRANCISCO, CALIFORNIA 94102-6080
PHONE: (415) 557-3686

March 23, 1994

Jim Levine
Levine-Fricke Corporation
1900 Powell Street, 12th Floor
Emeryville, CA 94608

SUBJECT: Facilities For Drying and Rehandling of Dredged Material

Dear Mr. Levine:

We are writing regarding the potential use of portions of the Montezuma Wetlands property for the rehandling of dredged material. The LTMS agencies are interested in bringing new regional rehandling facilities on line that can dry and condition dredged material for various upland uses and that can also be used to treat and transship dredged material containing levels of contaminants that are not acceptable for uncontained aquatic disposal. We understand that such a proposal is included as part of the proposed Montezuma Wetlands project.

The non-aquatic segment of the Long Term Management Strategy (LTMS) has not yet completed all of its technical work, but the engineering studies to date identify the Montezuma site to be one of the highly suitable sites for this purpose. While the Water Resources Development Act of 1992 directed the US Army Corps of Engineers to perform a feasibility study of establishing a dredged material rehandling facility at the Leonard Ranch property, neither the Corps nor any other LTMS agency is authorized to acquire the Leonard Ranch for this purpose or to establish and manage a dredged material rehandling facility anywhere in the Bay Area. Therefore, the most likely near term approach to establishing such a facility in the region is for site owners to bring a proposal forward.

We recognize that delays and complications have beset your proposed project. We would like to take this opportunity to again thank the Levine-Fricke Corporation for pursuing that project, one we believe will demonstrate how Bay resource values can be significantly increased through the use of dredged material as a beneficial resource, not a waste. Moreover, as regulatory agencies, none of the LTMS agencies can guarantee a favorable decision on a permit application. Such decisions must await the information in a completed application, the environmental analysis of the impacts of the facility, the nature and type of mitigation needed, if any, and the results of the public hearing process.

We can commit our agencies to providing policy guidance on project design, technical information obtained through the LTMS studies and expeditious processing of your application. We can also indicate, as planners, that the Montezuma wetlands site is one of the most practical sites that we have identified to date. For your information there are other sites that also merit serious attention, including the Leonard Ranch site near the Petaluma River, Mare Island, and salt ponds on the east side of the Napa River.

Mr. Jim Levine
March 23, 1994
Page 2

Again, we would like to thank the Levine-Fricke Corporation for its forward looking application for the Montezuma Wetlands.

Sincerely,

ALAN R. PENDLETON
Executive Director, BCDC

STEVE RITCHIE
Regional Water Quality Control Board

LEONARD CARDOZA
U. S. Army Corps of Engineers

HARRY SERAYDARIAN
U. S. Environmental Protection Agency

WALT PETTIT
State Water Resources Control Board

SIERRA CLUB, BAY CHAPTER

5237 COLLEGE AVENUE; OAKLAND, CA 94618-1414
FAX: 510-538-1600; PHONE 510-538-8630

FROM: JAMES P. ROYCE, CHAIRPERSON, DREDGING TASK FORCE

FAX TRANSMISSION

DATE: June 16, 1993

This letter is being transmitted to:

1) Lee Halterman, District Director
Congressman Ronald Dellums Office
201 13th Street, Oakland, CA 94612
FAX: 510-763-6538;

2) William T. Bagley, Senior Partner
50 California Street, 34th Floor
San Francisco, CA 94111
FAX: 415-398-2438

3) Stuart Siegel, Senior Environmentalist
Levine Fricke
1900 Powell Street
Emeryville, CA 94608
FAX: 510-652-2246

The following resolution was passed by unanimous vote at the last Sierra Club San Francisco Bay Chapter Executive Committee Meeting held on June 14, 1993:

93.06.02 Support Proposed Dredging Legislation having to do with the development of two dredging projects, Sonoma Baylands and Montezuma Wetlands

Whereas the San Francisco Bay Chapter of the Sierra Club supports environmentally sensitive projects that reuse dredged material for the purpose of creating and/or enhancing shoreline habitats; and

Whereas it is the policy of the Sierra Club to oppose dumping of dredged material into the San Francisco Bay;

Therefore we encourage passage of the following legislation by the House and Senate and urge our local congress people to support it.

(Please see page 2)

Pursuant to 33 U.S.C. Sec. 2284, i.e., Sec. 907 WRDA'86, the Secretary is directed to consider the benefits attributable to dedicated wetlands creation in the evaluation of the benefits and costs of the impending navigation projects relation to Baldwin Channel, Richmond and Oakland in the San Francisco Bay and attendant environmental benefits projects. These projects shall be initiated only after non-Federal interests have entered into a cooperative agreement in accordance with the requirements of section 221 of the Flood Control Act of 1970 in which the non-Federal interests agree to:

(1) Provide 25% of the cost associated with construction of the project for the protection, restoration or creation of aquatic and ecologically related habitat, which shall include the cost or value of provision of all lands, easements, rights of way and necessary relocations. The benefits, established for the purpose, of the creation, restoration, protection of wetlands shall be credit against the non-federal cost, if any, of said creation, restoration or protection which is incremental to those costs necessary to carry out the dredging for construction, operation or maintenance of the authorized navigation project in the most cost effective way, consistent with economic engineering and environmental criteria. No credit for the benefits of the creation, restoration or protection of wetlands shall be made available to any project which (a) is being constructed as mitigation or compensation for the fill or other alteration of wetlands, or (b) is being constructed as a mitigation bank to be used by others as mitigation or compensation for the fill or other alteration of wetlands; and

(2) pay or secure rights for the payment of 100% of the operation, maintenance, replacement or rehabilitation costs, whichever is or are required, associated with the project for the protection, restoration and creation of aquatic and ecologically related habitats.

Costs associated with construction of these projects for the protection, restoration or creation of aquatic and ecologically related habitats shall be limited solely to construction costs which are in excess of those costs necessary to carry out the dredging for construction, operation or maintenance of the authorized navigation project in the most cost effective way, consistent with economic, engineering and environmental criteria.

Section 204(e)d of the Water Resources Development Act of 1992 shall not apply to these projects.

This resolution requests ratification of the above proposed legislation having to do with the development of two dredging projects, Sonoma Bayland and Montezuma Wetlands.

- - - end - - -

CERTIFIED TRUE AND CORRECT BY:

James P. Royce
Chair, Dredging Task Force
Sierra Club San Francisco Bay Chapter

Statement of U.S. Rep. Steve Gunderson
Public Works and Transportation Committee
Subcommittee on Water Resources and Environment
Hearing on
Reauthorization of the Water Resources and Development Act
July 19, 1994

Thank you, Mr. Chairman and thank you, Mr. Boehlert, for giving me an opportunity to come before the Subcommittee on Water Resources and Environment to address an important issue not only to the people of my district, but also to the State of Wisconsin.

H.R. 4575

On June 14, Representative Petri joined with me in the introduction of H.R. 4575, a measure which would direct the Secretary of the Army to transfer to the State of Wisconsin lands and improvements associated with the LaFarge Dam and Lake Project -- a Corps of Engineers flood control project initiated in 1962. Wisconsin Senators Russ Feingold and Herb Kohl introduced a companion measure, S. 2186, on the same day. On behalf of this bipartisan, bicameral coalition, I am requesting that the Subcommittee incorporate H.R. 4575 into the authorization of the Water Resources and Development Act.

Mr. Chairman, I urge you to consider the provisions in H.R. 4575. This measure would modify the Water Resources Development Act of 1986 by deauthorizing the construction of the reservoir and dam, while completing other features of the original project. These features include the reconstruction of State Highway 131 and County Highway Routes P and F; the construction of a visitors/educational complex; the completion of all necessary environmental cleanups; and the fulfillment of the federal requirements of the Advisory Council on Historical Preservation.

HISTORY OF THE PROJECT

Prior to 1962, the LaFarge area was a farm community which suffered from severe flooding each spring. Through several generations, the spring floods complicated spring planting. Responding to residents' complaints, the Federal government promised to correct the flooding problem by constructing a reservoir and dam, capable of controlling spring water flow. In addition, the reservoir would have created an opportunity for water based recreational activities, enhancing tourism in the area. In order to prepare for the project, the Federal government condemned over 8,500 acres of land, displacing 144 families.

ECONOMIC IMPACT

Despite the best of intentions, the project was never completed, leaving the region economically depressed. In the early 1970's when the Environmental Impact Statement was reviewed, environmentalists raised concerns over the impact on water quality and the effects on rare species within the area. Also, numerous archaeological and historic sites were identified. For environmental reasons, work was suspended on the dam in July 1975, leaving 61% of the dam uncompleted, while 80% of the land having been acquired.

By 1990, it was estimated that annual losses resulting from the removal of family farms and the unrealized tourism benefits anticipated with the completion of the project totaled over 300 jobs and $8 million for the local economy, further exacerbating poverty in the area.

TIME FOR RESOLUTION

To continue to commiserate over what was to be and what wasn't seemed futile to me. The citizens needed to turn away from the bitterness of the past. They needed to focus on how they could achieve a brighter future for generations to come. Thus, I, along with Wisconsin State Senator Rude and Wisconsin State Representative Johnsrud, urged the

residents of the LaFarge area to form a Citizens Advisory Committee to initiate a plan for a positive resolution.

Governor Thompson appointed Alan Anderson of the University of Wisconsin-Extension as coordinator for the Kickapoo Valley Advisory Committee. The Wisconsin Department of Natural Resources, Wisconsin Department of Transportation, and the Wisconsin State Historical Society provided professional assistance in the spirit of true cooperation. Over a span of two years this advisory committee forged a consensus and recommended the establishment of the Kickapoo Valley Reserve.

The Wisconsin Legislature and the Governor concurred in the advisory committee's recommendation by passing legislation that created the Kickapoo Valley Reserve and Governing Board. Having established this entity, the State of Wisconsin is prepared to receive the transfer of this federal land. It is now up to Congress to complete the transaction and incorporate H.R. 4575 into the authorization of the Water Resources and Development Act.

To date, the federal government has spent $18,000,000 for the lake and dam project. These funds have been used to acquire the land and partially construct a dam which will never be completed! The estimated cost for completing the provisions of H.R. 4575 is $17,000,000. This is truly a modest sum compared with the $102,000,000 which would be required to complete the entire project in today's dollars.

"WIN/WIN" SITUATION

In closing, I can only say that this legislation provides for a "win, win" situation. It's a win because it conserves scarce resources by transferring land lying fallow under Federal management to the State of Wisconsin. It's a "win" because it provides the opportunity to fulfill the vision for the future -- a future determined by the local citizenry which will help stimulate the local economy; it's a "win" because it provides for the

completion of specific features in the original project promised by the Federal government; it's a "win" for the environment, providing a sanctuary for endangered species; and it's a "win" for the preservation of one of the largest archeological sites in the country.

Mr. Chairman, along with my prepared remarks, I ask unanimous consent to enter into the record correspondence from Wisconsin Governor Thompson, Secretary of the Department of Natural Resources George Meyer, Director H. Nicholas Muller of the State Historical Society of Wisconsin, Sam Marler, Regional Director of the U.S. Fish and Wildlife Service, and the Wisconsin Nature Conservancy. All support the establishment of the Kickapoo Valley Reserve and acknowledge that this legislation provides a "win, win" resolution to an unresolved matter. After 32 years of broken promises, false starts, and economic stagnation, we have an opportunity to remedy the failures of the past with inclusion of H.R. 4575 into the Water Resources and Development Act authorization.

Thank you.

TOMMY G. THOMPSON

Governor
State of Wisconsin

July 15, 1994

The Honorable Steve Gunderson
U.S. Representative
2235 Rayburn House Building
Washington, DC 20515

Dear Representative Gunderson:

I am writing to offer my support for two identical pieces of legislation which are presently before Congress. I was recently informed that these bills, HR 4575 and SB 2186, were introduced on June 14th by yourself, Representative Petri and Senators Kohl and Feingold.

These bills, which propose to modify the original authorization of the US Army Corps of Engineers dam project on 8,500 acres of federally owned land in the Kickapoo River Valley, also provide for the completion of the adjoining highway construction and the original plans for an educational center near the dam site.

The State of Wisconsin has clearly indicated its ability to assume ownership of this land once the federal government modifies the Army Corps' original authorization for the dam. During April, I visited the Kickapoo Valley, and signed into law 1993 Wisconsin Act 349 which provides the state with the necessary framework to successfully own and manage the property. This bill passed the State Senate on a 30–3 bi–partisan vote and went on to pass our 99 member Assembly on a unanimous vote.

Once again, I would like to urge the passage of HR 4575 and SB 2186. This legislation will finally allow the local citizens to put to rest the well–publicized governmental debacle which has surrounded the La Farge dam issue for the past twenty years. We cannot afford to let this opportunity pass us by.

Sincerely,

TOMMY G. THOMPSON
Governor

TGT/dkt

PUBLIC OFFICE MEANS — PUBLIC SERVICE

MAR 2 2 1994

WISCONSIN DEPT. OF NATURAL RESOURCES

George E. Meyer
Secretary

State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

101 South Webster Street
Box 7921
Madison, Wisconsin 53707
TELEPHONE 608-266-2621
TELEFAX 608-267-3579
TDD 608-267-6897

March 22, 1994

IN REPLY REFER TO:

TO: ALL MEMBERS OF THE WISCONSIN LEGISLATURE

SUBJECT: SB 721 and AB 1132, Creation of the Kickapoo Valley Reserve

Dear Legislator:

The Department of Natural Resources supports SB 721 and its companion bill, AB 1132, which would create the Kickapoo Valley Reserve in Vernon County.

Between 1969 and 1972, the U. S. Army Corps of Engineers began to acquire, often through condemnation, 8,500 acres of land in the Kickapoo Valley for a flood control project. Subsequent environmental and economic studies indicated that the project was unfeasible, and construction on the dam and associated facilities was halted in 1972. The U. S. government is now preparing to deauthorize the flood control project and dispose of project lands. We support SB 721 and AB 1132 because they would create the necessary framework which will make it possible for the United States Congress to transfer this property to the State of Wisconsin, as recommended by a local study committee. The bills will also insure these lands remain in public ownership, and that they will be managed so that the scenic quality and the important natural resources of the valley are protected. This property is a designated National Natural Landmark.

Should you have any questions about this legislation, please contact Paul Heinen at 266-2120.

Sincerely,

George 3/22/94

George E. Meyer, Secretary — Date

The Department has been involved with the local planning process on this project & we are very comfortable with where this project is heading. I strongly support these bills.

THE STATE HISTORICAL SOCIETY OF WISCONSIN

H. Nicholas Muller III, Director

816 State Street • Madison, Wisconsin 53706-1488
608/264-6400 • FAX: 608/264-6404

July 15, 1994

The Honorable Steven Gunderson
U.S. House of Representatives
2235 Rayburn House Office Building
Washington, D. C. 20515-4903

Dear Steve:

As a spokesman for the State Historical Society of Wisconsin, I am writing to express full support for B 4575 which proposes to modify the original authorization for a U.S. Army Corps dam project on 8,500 acres of federal land in the Kickapoo Valley. As you may know, this land is extremely rich in archeological, historical and natural resources.

I understand that the federal government plans to offer to return the land to the state of Wisconsin for use as a natural reserve. The state is fully prepared to accept the responsibilities of owning this land, as demonstrated with the passage of 1993 Wisconsin Act 349, which provides the necessary framework for ownership and management of the property. A local governing board of nine public members, chosen by the Governor, will manage the reserve.

The State Historical Society participated in the drafting process of this legislation. The program, much of it from grass roots, came from the hard work lead by a member of the UW-Extension. It evolved into a solid piece of legislation.

In summary, the State Historical Society fully supports any effort to pass federal legislation which essentially modifies the original authorization for the construction of a dam by shifting the proposed funding towards the development of a nature reserve. I expect this will naturally benefit our state by providing an atmosphere which cultivates further appreciation for all of Wisconsin's historical and archeological resources.

Please feel free to contact me if you have any questions regarding our support on this issue.

Sincerely,

Nick Muller

H. Nicholas Muller III
Director
(608) 264-6441

HNM:cm
B4575let.fin

United States Department of the Interior

FISH AND WILDLIFE SERVICE
Bishop Henry Whipple Federal Building
1 Federal Drive
Fort Snelling, MN 55111-4056

IN REPLY REFER TO:

TAKE PRIDE IN AMERICA

FWS/ARW/RE-AP

JAN 7 1994

Honorable Steve Gunderson
House of Representatives
Washington, D. C. 20515

Dear ~~Mr. Gunderson~~ Steve:

It has come to the attention of the U.S. Fish and Wildlife Service (Service) that the Corps of Engineers' LaFarge Dam flood control project on the Kickapoo River located in Vernon County, Wisconsin, is likely to be deauthorized. The Corps of Engineers (Corps) owns in fee about 9,000 acres that were acquired for the project. This area lies within the counties approved for acquisition for the Driftless Area National Wildlife Refuge (Refuge) and contains federally listed threatened species which the Refuge was established to protect. For this reason, the Service has a keen interest in the disposition of this property.

We understand the State of Wisconsin (State) is interested in receiving title to these lands, possibly through transfer by special legislation. This letter is to notify you that we would support that decision. As the plan for disposal of the LaFarge project goes forward, we would be glad to play a facilitative or support role that would assist the Corps and the State. As the local communities seek ways to develop and manage the area for tourism and other economic benefits, the Service can be an important resource for them in protecting rare and endangered species and the biodiversity of the Kickapoo River Valley. The "Proposal for the Kickapoo River Community Reserve and Center for Rural Sustainability" could nicely complement our efforts with the Refuge and afford a fine opportunity to develop partnerships among the intereated parties.

Please call on us for any assistance we might provide.

Sincerely,

Sam Marler

Sam Marler
Regional Director

WISCONSIN CHAPTER
333 W. Mifflin Street, Suite 107
Madison, Wisconsin 53703

608/251-8140
608/251-8535 FAX

July 14, 1994

Sen. Brian Rude
President, Wisconsin State Senate
P.O. Box 7882
Madison, WI 53707-7882

Dear Sen. Rude:

The Wisconsin Chapter of The Nature Conservancy strongly supports HR 4575 and SB 2186, Federal legislation which would convey approximately 8,500 acres of land associated with the LaFarge Dam project in Western Wisconsin to the State of Wisconsin.

This legislation would complete a process started by you and Rep. DuWayne Johnsrud to move beyond the LaFarge Dam project to a new and exciting future for the Kickapoo River Valley. We believe that state legislation passed this spring (SB-721) establishes mechanisms that will both protect important natural areas that are part of the 8,500 acres and to promote a plan developed by local residents, which promises to improve the economic condition of the Valley by taking pride in these very impressive natural features.

This is important because the Valley contains remnants of the major sugar maple forest in Wisconsin and the Kickapoo River itself is one of the last remaining free flowing streams of its size in Wisconsin and the largest stream in the driftless region. The area is also home to several rare species of plants including northern monkshood (a state and federally listed threatened species) and cliff goldenrod as well as rare natural communities including hemlock and pine relics, floodplain forest and shaded cliffs.

Because we are convinced that state stewardship of this land will benefit both natural features and people in the Valley, we are pleased to add our support for the transfer of the land to state ownership as provided in HR 4575 and SB 2186. Please feel free to convey this letter to any members of Congress you feel appropriate.

Sincerely,

David Cieslewicz
Government Relations Coordinator

cc: Carol Baudler, Director of Government Relations
The Nature Conservancy, Washington, D.C.

DAN HAMBURG
1ST DISTRICT CALIFORNIA
WASHINGTON OFFICE
114 CANNON BUILDING
WASHINGTON, DC 20515
(202) 225-3311

Congress of the United States
House of Representatives
Washington, DC 20515

COMMITTEES
PUBLIC WORKS AND TRANSPORTATION
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MERCHANT MARINE AND FISHERIES
ENVIRONMENT AND NATURAL RESOURCES
FISHERIES MANAGEMENT

Testimony of Dan Hamburg
Water Resources Subcommittee
Committee on Public Works and Transportation
Water Resources Development Act of 1994

The Water Resources Development Act of 1994 offers an opportunity to address a number of the water related needs and opportunities that abound in my Northern California district.

For the last two centuries we have modified our waterways for irrigation, flood control, dams, navigation and other beneficial purposes. Although this development met our needs as we understood them at the time, significant destruction of our aquatic ecosystems has been one of the unforeseen consequences. Only 2% of the rivers in our nation are considered healthy. More aquatic organisms than any other group are potential candidates for listing under the Endangered Species Act. On the West Coast, record low salmon populations caused in large part by the loss of spawning habitat associated with water resource development triggered the most restrictive salmon fishing season in history for 1994. Thousands of jobs and hundreds of millions of dollars in revenue to the region have been lost.

Today we have begun to understand that healthy, functioning aquatic ecosystems are necessary to assure a reliable water supply, prosperous fisheries, and genetic biodiversity.

I. National Aquatic Ecosystem Restoration

I urge inclusion of H.R. 4481, the National Aquatic Ecosystem Restoration Act of 1994, in the re-authorization of the Water Resources Development Act.

H.R. 4481 initiates a national restoration program to fund locally-based aquatic ecosystem restoration projects consistent with a long term national strategy. The critical need for a national program to correct the current fragmented approach to restoration was stressed by the National Research Council ("NRC") in its landmark 1992 report "Restoration of Aquatic Ecosystems."

H.R. 4481 establishes a voluntary, non-regulatory process to achieve the net restoration of 10,000,000 acres of wetlands, 400,000 miles of streams and rivers, and 1,000,000 acres of lakes by the year 2010, the goals suggested by the NRC. A Presidential task force is to be created to develop a long term national strategy to assist in achieving these restoration goals on

910 A WAUGH LANE
UKIAH, CA 95482
(707) 462-1716

299 I STREET
CRESCENT CITY, CA 95531
(707) 466-0112

710 E STREET
EUREKA, CA 95501
(707) 441-4949

817 MISSOURI STREET
FAIRFIELD, CA 94533
(707) 426-0401

1040 MAIN STREET
NAPA, CA 94559
(707) 264-8608

PRINTED ON RECYCLED PAPER

Federal and non-Federal lands. A competitive grant program, administered by a National Aquatic Restoration Council will foster voluntary local restoration projects on non-federal lands, giving priority to projects that train and employ workers displaced from resource dependent industries.

The National Aquatic Ecosystems Restoration Act's inclusion in the Water Resources Development Act is a critical first step in acknowledging that natural ecosystems are a key component of our national infrastructure in which we must invest or suffer potentially irremediable consequences.

II. **Russian River Fisheries and Riverbed Restoration Act**

I also urge you to include the restoration program set forth in H.R. 4408, the Russian River Fisheries and Riverbed Restoration Act in the Water Resources Development Act. H.R. 4408 establishes a program to restore the Russian River and its world class steelhead and coho salmon fisheries. The Army Corps of Engineers, the Soil Conservation Service, the Environmental Protection Agency, the State of California and local residents have invested three years and nearly $1 million in developing this plan.

Two U.S. Army Corps of Engineers flood control dams are a primary cause of degradation on the Russian River: Coyote Dam on the upper river in Mendocino County and Warm Springs Dam on the middle reach in Sonoma County. The dams obstructed hundreds of miles of spawning habitat for salmon and steelhead upstream and impeded transport of gravel downstream. Gravel-starved water has cut deeper and deeper into the main channel below the dams, lowering the water table, killing stream side vegetation, and damaging private property, improvements and wildlife habitat.

I seek authorization of $200,000 for the Corps, in consultation with the Director of the United States Fish and Wildlife Service, to review the effects of the operation and water release schedule of the Coyote and Warm Springs Dams on fish habitat, bank erosion problems, river channel downcutting, and decreases in ground water supplies. The Secretary should be directed to identify alternative release schedules to reduce adverse impacts and to maximize fisheries habitat benefits. The study should also evaluate the adverse environmental effects of channel clearing and maintenance measures in conjunction with the Russian River Flood Control project and develop and evaluate alternatives to minimize adverse environmental effects on fisheries habitat in the river.

I also seek authorization for appropriation of $4 million for tributary restoration and $3 million for restoration of the mainstem to reverse the impacts of dam and flood project operation, to be performed in conjunction with the Secretary of

Agriculture and the Secretary of Interior as set forth fully in H.R. 4408.

III. **Napa River and wetlands feasibility plan.**

Navigation projects on the Napa River authorized in August 1888 and March 1919 were the earliest federal involvement in the Napa River basin. The Corps today completes periodic maintenance of dredging from the mouth of the river to the City of Napa. The Corps is also engaged in completing design and environmental review of a flood control project in the City of Napa (authorized in the Flood Control Act of 1965) to provide protection against a one hundred year flood.

The relatively small size of the Napa River watershed, the historical persistence of flooding damage, and the river's discharge into the San Pablo Bay through an extensive reach of wetlands make this site an excellent one to create a model design for integrated management to complement the flood control project. The inter-agency task force report evaluating last Summer's flooding in the midwest underscores the mandate for development of a new approach to flood control based on the interaction of physical and ecological processes of a watershed.

I request authorization of a feasibility study to evaluate the benefits of (a) restoration of the river corridor and re-development of an accessible flood plain upstream of the City of Napa; and (b) restoration of the wetlands at the mouth of the river. The Corps should be directed to evaluate the benefit of levee setbacks in the upper river flood plain farmlands as a means of retaining flood waters in order to lower peak levels and slow peak flows downstream in the City of Napa. The impact on the river's sediment load and velocity should also be evaluated.

The study downstream should focus on the restoration of 10,000 acres of wetlands, recently acquired by the State of California. Flow velocities, sediment delivery rates, hydraulic and hydrologic characteristics of the downstream area, critical to wetland restoration, should be fully evaluated together with the feasibility of use of reclaimed water from the Napa Sanitation District, and clean dredge material from the Napa River.

The Corps should co-ordinate its analysis with the County of Napa and the Napa County Resource Conservation District who are currently developing a river computer model that includes hydraulics, hydrology, and sediment relationships of the watershed. The wetlands restoration analysis should be co-ordinated with the Environmental Protection Agency, the Fish and Wildlife Service, and the California Department of Fish and Game.

IV. The California Maritime Infrastructure Bank

I wish also to bring to the Subcommittee's attention the need to assist in development of innovative mechanisms to assist local sponsors in financing their local share of navigation infrastructure projects. State and local agencies operate under such tight financial constraints today that without new alternatives for meeting local share contribution requirements, many critically needed projects will never be built and the economic opportunities they represent will be lost.

In my district, Humboldt Bay is a prime example of the critical role that port infrastructure investment can play in diversifying the local economy. The timber and fishing industries have been historically the backbone of the local economy. Depletion of these natural resources has dictated diversification. Nonetheless, although the bay is the only deep water port between San Francisco and Coos Bay Oregon, its inadequate facilities inhibit participation in international import of manufactured commodities and development as a center for export of value-added products. The Maritime Infrastructure Bank represents a new approach to increasing funding necessary for port development.

California State Senator Milton Marks, recently carried legislation authorizing formation of the California Maritime Infrastructure Bank. The Port District in Humboldt County, together with the ports of Sacramento, Stockton, Long Beach and Santa Cruz ports have formed this Bank which is now open to all commercial ports and harbors in the State. It is the first statewide credit facility for ports in the United States and will serve as a model for development of such credit facilities elsewhere.

The Maritime Infrastructure Bank will make long term low interest loans, guarantee loans, provide financing for capital improvement project start-up costs, issue debt, and promote direct foreign investment in port projects.

I seek authorization of: (a) a $2 million planning study grant to the Maritime Infrastructure Bank to explore alternative methods of leveraging public investment in financing maritime infrastructure projects; and (b) a $25 million low interest twenty year loan to stimulate investment through this Bank, consistent with the planning study's conclusions. These funds should be authorized for appropriation from the $300 million surplus in the Harbor Maintenance Trust Fund. The ports of California have generated a significant portion of that surplus, and will continue to increase their contribution to the fund through the investment made possible through the Maritime Infrastructure Bank.

V. Warm Springs Dam Watershed acquisition

I seek modification of the Flood Control Act of 1962 (Public Law 87-874 Sec. 203 which authorized construction of Warm Springs Dam in Sonoma County), to authorize appropriation of up to $700,000 for acquisition of approximately 344 acres of real property to protect the watershed and enhance associated recreational opportunities.

Construction of Warm Springs Dam required inundation of an access road to privately owned property, contiguous to the project. The Army Corps of Engineers is engaged in eminent domain proceedings to acquire the right of way to Sonoma County Assessor Parcels numbers 114-160-25 and 114-160-27. Unless acquisition is authorized in the Water Resources Development Act of 1994, litigation will proceed to determine the compensable damages suffered by the private property owners as a result of the project.

These parcels would provide a buffer on the shore of the reservoir, reaching inland to include a creek drainage and a portion of the reservoir's tributary watershed. At the time of project construction, the Corps acquired a buffer completely surrounding the reservoir except for these parcels. Authorization is sought to acquire fee title to these lands to secure the benefits of permanent protection rather than paying damages and attorneys fees in an amount which could reach a sum nearly equal to the property's fair market value.

If the Corps determines that the public interest is best served through ownership and management for open space purposes by a different public or non-profit agency rather than the Corps, title should be transferred to the Sonoma County Agricultural Preservation and Open Space District. The Sonoma County Water Agency, local sponsor for the Warm Springs Dam, supports modification of the original project to include this acquisition.

VI. Warm Springs Dam Visitors Center

Finally, I would like to request that the visitors center at Warm Springs Dam be named the "Milt Brandt Visitors Center", as authorized by H.R. 3972.

Mr. Brandt played a significant role in the development of Warm Springs Dam since 1974 when numerous construction delays were encountered. He organized a speakers bureau, raised funds, gathered thousands of signatures and testified before the Committee on Public Works and Transportation in 1977. Mr. Brandt has continued to work for the Warm Springs Dam. He raised numerous redwood trees which were planted around the administration building, and he organized a volunteer

association called Friends of Lake Sonoma to help manage the visitor center.

In appreciation for Mr. Brandt's dedication and hard work, I am pleased to make this request which is supported by the Sonoma County Board of Supervisors, the City Councils of Healdsburg and Cloverdale, and the Town Council of Windsor.

Thank you for your consideration of these projects. I look forward to working with you and committee staff to refine the manner in which these projects can be included in the Water Resources Development Act of 1994.

LEE H. HAMILTON
9TH DISTRICT, INDIANA

COMMITTEES

COMMITTEE ON FOREIGN AFFAIRS
CHAIRMAN

JOINT ECONOMIC COMMITTEE

Congress of the United States
House of Representatives
Washington, DC 20515-1409

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THE HONORABLE LEE H. HAMILTON

Statement before the

House Public Works Committee

Subcommittee on Water Resources

July 19, 1994

Mr. Chairman and members of the subcommittee. Thank you for providing me with an opportunity to testify today in support of projects of particular importance to the Ninth Congressional District of Indiana.

I am writing to request your assistance on two matters of great importance to my congressional district.

First, I am asking the committee to authorize the Corps of Engineers to construct, at a cost of $25 million, a greenway corridor along the Ohio River in New Albany, Clarksville, and Jeffersonville, Indiana.

Second, I am asking the committee to amend Public Law 84-99 to allow the Secretary of the Army to undertake, on a cost sharing basis, the rehabilitation of certain flood control projects where it can be established that their failure, or imminent failure, was not the result of a poor maintenance record or neglect, but rather the result of structural or design obsolescence.

Ohio River Greenway

The Ohio River Greenway will include appropriate components at the Jeffersonville-Clarksville-New Albany waterfront, and provide residents and visitors with better access to this scenic riverfront corridor and its various attractions, including the Falls of the Ohio, the Louisville skyline, the McAlpine Locks and Dam, and the historic districts along the riverfront.

The Energy and Water Appropriations Act for fiscal year 1993 redirected $500,000 for the Corps to prepare a master plan for the greenway. The master plan has been completed.

The Energy and Water Appropriations bill for fiscal year 1995, as approved by the House, includes an additional $900,000 to prepare an environmental assessment on the greenway; perform a Phase II HTRW (hazardous, toxic and radiological waste) investigation; and initiate detailed design work on the greenway.

I have been advised by the Public Works Committee that

appropriate study authorities exist for continued design work on the greenway project.

I am now asking the Public Works Committee to authorize the Corps to proceed with the final phase of the project -- the actual construction of the greenway.

I expect that construction will begin on the project in fiscal year 1997, and will cost a total of $25 million. The cost estimate is described in the master plan for the greenway.

I request that the project be cost-shared on a 50-50 basis, with an estimated federal cost of $12.5 million and a non-federal cost of $12.5 million. I understand that this is the customary cost-share arrangement for a recreation project of this type.

The federal contribution to the greenway will be matched by funding from the three communities, the state of Indiana, and private sources. All told, these non-federal sources have already contributed over $9 million in recent years to riverfront improvements along the proposed greenway. I have included for the committee a summary of those expenditures, broken down by community. Most of the improvements have been made concurrently with the Corps' planning efforts for the greenway project.

I ask that the committee credit these expenditures toward the non-federal share of the project and that the authorization provide for crediting any similar expenditures by non-federal interests which may occur between congressional authorization of the project and execution at some later date of a project cooperation agreement for construction between the Corps and non-federal interests. Non-federal interests should be required to furnish any lands, easements and rights-of-way required for the project. I believe that total cost-sharing credits for non-federal activities should be limited to $12.5 million.

Levee Repair

I also want to take this opportunity to join Congressman McCloskey in expressing my concern about current Corps policy on repairing Public Law 84-99 flood control projects.

One of two 50-year-old 50-inch diameter corrugated metal pipes under the Jeffersonville levee in my congressional district collapsed in November, 1992. The City of Jeffersonville declared an emergency after inspecting the collapsed pipe and the pipe next to it. Jeffersonville officials believe the second pipe could collapse at any time. If this occurs, the flood control network at the levee could be easily overwhelmed after a major storm.

The City of Jeffersonville contacted the Corps on December 17, 1992 to seek emergency funding to repair the pipes. The Corps rejected the City's request on the grounds that it is not responsible for rehabilitation work on Public Law 84-99 projects. The Corps indicated in correspondence with the Energy and Water Subcommittee that it only "is authorized to undertake activities including rehabilitation of flood control works threatened or destroyed by a specific flood event."

However, in the case of the Jeffersonville levee, the project has reached the end of its design life, and, according to the Corps, is a problem for the local community to manage.

I am strongly opposed to Corps policy in this area. The City of Jeffersonville agreed, upon federal construction of this project, to operate and maintain it, and has done so. Now that the project is reaching the end of its design life, the Corps is charging the local community with the task of renovating the structure.

First, the Corps policy places an unfair burden on small communities like Jeffersonville which do not have the resources to undertake major rehabilitation of levees and other flood protection projects. It is one thing for the Corps to ask these communities to operate and maintain these structures. It is quite another to demand that they pay for major renovations. If the Corps saw fit to build the Jeffersonville levee in the first place, it should not now balk at its responsibility to extend the life of the project.

Second, the Corps policy does not serve public safety. The Corps has advised me that it will "undertake activities including rehabilitation of flood control works threatened or destroyed by a specific flood event." In other words, it will pay for repairs after the damage is done or when a disaster is imminent, but not when there is an opportunity to extend the useful life of the flood protection project. I fail to see the logic in this approach.

Third, the policy creates an incentive for flood control structures to fall into disrepair. The Corps now rewards with cost-sharing project failures but not early and timely rehabilitation efforts.

I hope the committee will agree that the Corps should help pay for repair work on Public Law 84-99 structures like the Jeffersonville levee. This would be good public policy -- and a good investment in the public safety of communities threatened by flooding.

I would be happy to answer any questions you may have.

CONSTRUCTION OF OHIO RIVER GREENWAY
SOURCES OF FUNDING (BY COMMUNITY)

The following list summarizes capital improvements that New Albany, Clarksville and Jeffersonville have made along Ohio River front since 1990 (except for the items marked differently). Funding for these improvements has come from local, state and/or private sources. Most of the improvements have been made concurrently with the Corps' planning efforts for the River Greenway project.

I ask that these investments be credited towards the non-federal share of the River Greenway project connecting the three communities.

I. City of New Albany

1. Riverfront Amphitheater construction (1986):	$265,504.96
2. Road extension over flood levy (1986)	225,000.00
3. Water line	6,178.53
4. Shelter house	1,772.83
5. Children's play area	3,112.93
6. Two basketball courts	9,800.00
7. Two volleyball courts	4,800.00
Total =	$516,169.25

II. Town of Clarksville

1. Ashland Park/Riverside Drive revitalization: $419,659.69

   -- $105,071.69 was local; $314,588 was IDOC grant
   -- includes construction of shelter house, children's playground, public restrooms, sidewalks, parking, and lighting

2. Falls of the Ohio Interpretive Center 5,000,000.00

   -- $2 million was local; $3 million from state and private sources

Total = $5,419,659.69

III. City of Jeffersonville

1. RiverPointe development: $2,500,000.00

   -- includes infrastructure work and land acquisition

2. Riverfront Master Plan (early phase) 570,000.00

   -- includes $20,000 for plan; $550,000 in state/local for infrastructure work

Total = $3,070,000.00

Overall Total = $9,005,828.94

The Statement of the Honorable Tim Holden
Public Works Committee
Subcommittee on Water Resources and Environment
July 19, 1994

Mr. Chairman,

Thank you for allowing me to testify at this important hearing. I respectfully come before your committee to request help with a matter of health and safety in my Congressional District. The Great City of Sunbury, Pennsylvania is located at the juncture of the East and West Banks of the Susquehanna River. The City has historically had problems with flooding and in 1951 a series of pumping stations were built throughout the City. Sunbury actually is located 15 feet below the level of the Susquehanna and the flood walls and pumping station are vital to the survival of the city in times of high water.

The pumping stations were established in 1951 and originally designed to operate only at times of high water. In 1968 an artificial dam was constructed on the river and elevated the level of the river by 9 feet. This created an additional burden on the pumping station and required them to operate constantly. Add to these factors the lack of sufficient funding for maintenance and repairs and we are confronted with a very dangerous situation. In recent years problems with individual pumping stations have resulted in grave problems. The failure of more than one station at a given time would be catastrophic.

With the assistance of the Army Corps of Engineers, the Sunbury Municipal Authority and the State of Pennsylvania we can provide a solution to the problem. Some funding for the project has already been supplied by the State of Pennsylvania. I would deeply appreciate consideration of this worthwhile project for action by the Army Corps of Engineers. I thank you for your time and consideration.

TESTIMONY OF STENY H HOYER BEFORE THE WATER RESOURCES SUBCOMMITTEE

MR. CHAIRMAN, I APPRECIATE THE OPPORTUNITY TO BE HERE WITH YOU THIS MORNING AND WANT TO THANK YOU FOR ALLOWING ME TO TESTIFY. I KNOW YOUR TIME IS EXTREMELY SHORT, SO I WILL ATTEMPT TO BE BRIEF.

LAST YEAR, THE APPROPRIATIONS SUBCOMMITTEE ON VA, HUD AND INDEPENDENT AGENCIES ALLOCATED AND RESERVED FUNDING FOR CERTAIN WATER PROJECTS THAT WOULD BE MADE AVAILABLE UPON AUTHORIZATION.

THE FIFTH CONGRESSIONAL DITRICT OF MARYLAND HAS MORE THAN 1,000 MILES OF CHESAPEAKE BAY SHORELINE AND WE HAVE BEGUN THE CRITICALLY IMPORTANT EFFORTS NECESSARY TO REVIVE THE HEALTH OF THE WORLD'S MOST PRODUCTIVE ESTUARY. BUT NOW, MR. CHAIRMAN, WE NEED YOUR HELP.

I AM HERE TO REQUEST THE SUBCOMMITTEE'S CONSIDERATION OF TWO WATER AND SEWER PROJECTS IN MY DISTRICT THAT ARE VERY IMPORTANT BOTH FOR THE COMMUNITIES THAT THEY SERVE AND THE HEALTH OF THE CHESAPEAKE BAY AND ITS TRIBUTARIES.

FIRST, THE COMMUNITIES OF ROSE HAVEN AND HOLLAND POINT URGENTLY REQUIRE $5.6 MILLION TO HELP DEFRAY CAPITAL COSTS ASSOCIATED WITH UPGRADING EXISTING WATER AND WASTEWATER TREATMENT FACILITIES. THE COMMUNITY OF ROSEHAVEN IS SERVED BY A PRIVATE WATER SYSTEM AND HOLLAND POINT IS SERVED BY INDIVIDUAL WELL AND SEPTIC SYSTEMS. ROSE HAVEN'S SYSTEM IS OVER 20 YEARS OLD AND DISCHARGES DIRECTLY INTO THE CHESAPEAKE BAY. THE AMOUNT REQUESTED IS REQUIRED TO BRING THE SYSTEM INTO COMPLIANCE WITH ACCEPTABLE STANDARDS FOR NUTRIENT REMOVAL, AS WELL AS UPGRADE WATER PRESSURE AND IMPROVE WATER QUALITY.

SECONDLY, THE COMMUNITY OF MARLBORO MEADOWS IS WORKING WITH THE WASHINGTON SUBURBAN SANITARY COMMISSION TO UPGRADE THEIR WATER SYSTEM AND HAVE IT TAKEN OVER BY THE WSSC. THE WSSC HAS AGREED TO PAY HALF OF THE COSTS ASSOCIATED WITH THE TAKEOVER OF THIS CAPITAL STARVED SYSTEM, WHICH CURRENTLY PAYS HIGHER RATES THAN THE REST OF THE COUNTY. WITHOUT FEDERAL PARTICIPATION, IT IS UNLIKELY THAT THIS LARGELY MINORITY COMMUNITY WILL BE ABLE TO SUPPORT THE COSTS OF THIS SORELY NEEDED PROJECT. I AM REQUESTING $3 MILLION TO ALLOW THIS SYSTEM TO BE UPGRADED AND INCORPORATED INTO THE WSSC SYSTEM.

SINCE THIS HEARING IS ABOUT THE ARMY CORPS OF ENGINEERS, I WOULD REQUEST YOUR AUTHORIZATION FOR A CHESAPEAKE BAY ENVIRONMENTAL RESTORATION AND PROTECTION PROGRAM. THIS $25 MILLION AUTHORIZATION WOULD ESTABLISH A PILOT PROJECT TO PROVIDE ENVIRONMENTAL ASSISTANCE TO NON-FEDERAL INTERESTS IN THE CHESAPEAKE BAY REGION. THIS PROJECT WOULD INCLUDE PLANNING AND DESIGN AND CONSTRUCTION ASSISTANCE FOR WATER PROJECTS AFFECTING THE BAY, INCLUDING SEDIMENT CONTROL, WASTEWATER FACILITIES, HABITAT CREATION AND FISH PASSAGE TO ENHANCE THE FISH AND WILDLIFE RESOURCES OF THE NATION'S LARGEST ESTUARY.

FINALLY, THE PRESIDENT IDENTIFIED THE ANACOSTIA RIVER BASIN AS A HIGHLIGHTED PORTION OF HIS BUDGET AND AMONG THE TEN MOST THREATENED RIVERS IN THE COUNTRY. THE CORPS HAS ALREADY ASSUMED THE LEADERSHIP IN THE RESTORATION OF THIS IMPORTANT TRIBUTARY OF THE BAY, AND I AM REQUESTING AN AUTHORIZATION OF $15 MILLION TOWARDS CONSTRUCTION PROJECTS THAT THE CORPS HAS IDENTIFIED ARE ESSENTIAL FOR THE CLEAN UP OF THIS RIVER. FOR THE QUALITY OF LIFE FOR ALL OF THE PEOPLE WHO LIVE, WORK, AND PLAY ON OR NEAR THE WATERS OF THE CHESAPEAKE BAY, I WOULD RESPECTFULLY REQUEST YOUR SUPPORT FOR THESE AUTHORIZATIONS.

MR. CHAIRMAN, I APPRECIATE THIS OPPORTUNITY AND LOOK FORWARD TO WORKING WITH YOU AND THE MEMBERS OF THIS SUBCOMMITTEE ON MAKING ALL OF THESE PROJECTS A SUCCESS.

TESTIMONY OF CONGRESSMAN DALE E. KILDEE
HOUSE SUBCOMMITTEE ON WATER RESOURCES
JULY 19, 1994

MR. CHAIRMAN, THANK YOU FOR THE OPPORTUNITY TO TESTIFY BEFORE THE SUBCOMMITTEE ON THE WATER RESOURCES DEVELOPMENT ACT OF 1994. MR. CHAIRMAN, I AM SEEKING THE COMMITTEE'S SUPPORT IN PROVIDING THE NECESSARY AUTHORIZATION TO COMPLETE THE RECONSTRUCTION OF THE FLINT RIVER PROJECT.

BETWEEN 1964 AND 1979, THE UNITED STATES ARMY CORPS OF ENGINEERS CONSTRUCTED THE FLINT RIVER FLOOD CONTROL PROJECT AS PART OF THE FLOOD CONTROL ACT OF 1958, WHICH AUTHORIZED THE BUILDING OF EIGHT SEPARATE FLOOD CONTROL PROJECTS WITHIN THE SAGINAW RIVER BASIN. THE PROJECT WAS DESIGNED TO PREVENT FREQUENT FLOODING OF THE FLINT RIVER THAT CAUSED SIGNIFICANT DAMAGE IN THE DOWNTOWN BUSINESS DISTRICT.

ONCE THE CORPS OF ENGINEERS COMPLETED CONSTRUCTION, THEY TURNED THE OPERATION AND MAINTENANCE RESPONSIBILITIES OF THE FLOOD CONTROL PROJECT OVER TO THE CITY OF FLINT. HOWEVER, DURING THE 1980'S, THE CITY OF FLINT WAS DEVASTATED BY LAY-OFFS IN THE AUTO INDUSTRY, RESULTING IN THE LOSS OF THOUSANDS OF JOBS AND MUCH NEEDED TAX REVENUES. IN ADDITION, THE FLINT RIVER HAS EXPERIENCED FAR GREATER EROSION PROBLEMS THAN WERE ANTICIPATED.

AS A RESULT, THE FLOOD CONTROL PROJECT HAS COME UNDER DISREPAIR. FOR THE LAST THREE YEARS, I HAVE BEEN WORKING WITH THE MEMBERS OF THIS COMMITTEE AND THE APPROPRIATIONS COMMITTEE TO HELP PAY FOR THE REPAIRS. THE CONGRESS HAS APPROPRIATED $4.5 MILLION TO COMPLETE THE NEEDED REPAIRS, WHICH ARE ON TIME AND BUDGET. I HAVE ALSO BEEN WORKING WITH THE CITY OF FLINT TO ENSURE THAT FUTURE REPAIRS WOULD BE COMPLETED PROMPTLY.

HOWEVER, MR. CHAIRMAN, ONE ISSUE REMAINS TO BE RESOLVED TO THAT WILL ALLOW THE FLINT RIVER FLOOD CONTROL PROJECT TO BE FULLY REPAIRED AND FUNCTIONAL. THE ARMY CORP'S ORIGINAL PLANS DID NOT INCLUDE THE CONSTRUCTION OF A FABRIDAM NEAR THE DOWNTOWN AREA. THE FABRIDAM WAS INSTALLED LATER BY THE CITY OF FLINT TO HELP REGULATE WATER FLOW IN THE DOWNTOWN AREA.

CURRENTLY, THE INFLATABLE BAGS AND CONTROL SYSTEM ON THE FABRIDAM ARE NOT FUNCTIONAL, AND NEED TO BE REPLACED IMMEDIATELY. HOWEVER, SINCE THE FABRIDAM WAS NOT INCLUDED IN THE ORIGINAL MISSION OF THE ARMY CORPS OF ENGINEERS, IT IS MY UNDERSTANDING THAT THE ARMY CORPS NEEDS SPECIFIC AUTHORIZATION TO BUILD A NEW FABRIDAM.

I WOULD RESPECTFULLY REQUEST THAT YOU INCLUDE LANGUAGE IN THE WATER RESOURCES AUTHORIZATION BILL THAT WOULD ALLOW FOR THE BUILDING OF A NEW FABRIDAM. THE COMMITTEE SHOULD KNOW THAT MONEY HAS ALREADY BEEN APPROPRIATED FOR THIS PROJECT, AND THIS LANGUAGE WOULD ALLOW THE MONEY TO BE SPENT. THANK YOU FOR YOUR TIME MR. CHAIRMAN, AND I WILL ANSWER ANY QUESTIONS YOU MAY HAVE.

THE HONORABLE RICHARD H. LEHMAN

HEARING ON WATER RESOURCES DEVELOPMENT ACT OF 1994

SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT

July 19, 1994

Mr. Chairman, Members of the Subcommittee:

I appreciate the opportunity to testify before this Subcommittee on issues of particular importance to my congressional district in California's San Joaquin Valley. Water resource development is the basis for economic vitality and the source of constant controversy in the San Joaquin Valley.

The federal flood control and irrigation projects of the Army Corps of Engineers and the Bureau of Reclamation have made the San Joaquin Valley the world's premier agricultural region. A single Corps of Engineers project, Pine Flat Dam on the Kings River, helps irrigate approximately 15,000 farms on 1.1 million acres that produce gross revenues of nearly $2 billion a year. The project provides flood protection and domestic water for 760,000 people in three counties of the San Joaquin Valley, and generates hydroelectric power for operation of the California Aqueduct, which delivers water to millions of people in Southern California.

While the benefits of water development are great, so are the problems. An exploding population and a growing environmental awareness have placed new and increasing demands on California's water supply. This competition has caused conflicts over how federal water projects should be operated. Fortunately, many water users, environmentalists and federal agencies have

begun looking for ways to meet these new demands while minimizing conflicts. I am here to urge the Subcommittee to assist these efforts.

Pine Flat

Representative Cal Dooley and I are requesting that the Subcommittee consider statutory and report language for the Water Resources Development Act that will speed the implementation of fish and wildlife habitat improvements on the Kings River.

The Corps has just finished a reconnaissance study of ways to restore fish and wildlife habitat on the Kings. Much of the study is focused on improving the fisheries in the river below Pine Flat Dam and in Pine Flat Reservoir. Water rights holders on the Kings River have agreed to cost-share the feasibility phase of the study because they are hopeful that it will lead to restoration of the fishery not the forced re-allocation of water that has caused intense controversy elsewhere in California.

The reconnaissance study recommended several habitat restoration measures for further study, including installation of a turbine bypass and temperature control structure to improve downstream water temperatures for fish; water transfers to increase instream flows for fish; creation of new wetlands and restoration of riparian habitat; and raising Pine Flat Dam to increase water supplies for environmental purposes.

The Corps estimates that study, design and authorization of these measures could take as long

as six or seven years. However, some of the improvements identified in the Kings River reconnaissance study could be implemented in half that time if they were done under the authority of Section 1135 of the Water Resources Development Act of 1986. The Section 1135 authorizes the Corps to undertake relatively small-scale environmental modifications at existing projects on a cost-sharing basis with local sponsors.

Although items such as raising Pine Flat Dam and the multi-level temperature control device are too large, complex and expensive to be done under Section 1135, others are ideally suited to the program. The turbine bypass, for example, which has an estimated cost of only $2.3 million, would increase the operational flexibility of the project to allow more efficient release of cold water for the trout fishery below the dam. The bypass is supported by the California Department of Fish and Game.

Of course, the turbine bypass alone will not resolve the fishery problems, but it would be a good start. Our proposed statutory language would direct the Corps to undertake the turbine bypass as a separate Section 1135 project and to consider using that program to do other measures identified in the reconnaissance report. Items not accomplished under Section 1135 should be examined in a feasibility study, and our proposal directs the Corps to do such a study.

I am hopeful that the Kings River Habitat Restoration study will lead to cooperative resolution of environmental problems. I also urge the Subcommittee to consider other ways of broadening the Corps involvement in similar efforts to cope with the changing water picture in

California. Water conservation incentives for farmers would be of great benefit, and watershed management programs, such as one recently begun on the California's Kaweah River, could help meet multiple environmental and water use objectives. The Corps could play a useful role in such programs.

I would like also to alert the Subcommittee to two problems I have encountered with Corps projects in my district.

Kaweah River

I remain seriously concerned about the progress and cost of an ongoing Corps feasibility study on the Kaweah River at Terminus Dam. The Kaweah River Basin Investigation was authorized by Congress in 1964 and began in December 1985. The Reconnaissance Report was approved in July 1987.

In January, 1988 the Corps signed a feasibility cost sharing agreement with the Kaweah Delta Water Conservation District. The estimated cost of the study was $1.6 million. The Corps states that feasibility studies normally take four years to complete.

The feasibility study is now finally due to be completed by the end of 1994 at a cost of $2.9 million, over two years behind schedule and nearly double original cost estimates. Local sponsors have been forced to bear unexpected costs of an additional $650,000. This is not the way anyone should do business, especially not the federal government.

To address this concern, I respectfully request that the Subcommittee place a statutory cap on the cost of the project at the most recent Corps cost estimate of $2.9 million. Any additional costs would be born solely by the federal government. Although I believe this will help to address the near-term concern that the Corps stick to its cost estimates, additional legislative language may be needed to more fully address this issue. I will continue to work with the Subcommittee to help ensure better accountability for the Corps of Engineers.

Redbank-Fancher Creeks

Before closing, I want to take a minute to alert the Subcommittee to a problem in the operation of the recently completed Redbank and Fancher Creeks flood control project outside Fresno. I have always been a strong supporter of that project, but am concerned that the Corps' operating criteria may conflict with long-standing flood control practices.

The Fresno Irrigation District operates canals that are an important part of the Fresno area flood control system. The Corps operating criteria for Redbank-Fancher does not make the best use of these facilities and may even cause unnecessary flood damage.

Several weeks ago, Representative Dooley and I asked to Corps to work with local interests to resolve this problem. So far, the Corps has not responded. We may have to call on the Subcommittee for assistance in this matter.

Thank you.

JERRY LEWIS
40TH DISTRICT CALIFORNIA

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Committee Remarks
House Public Works Committee
Water Resources Development Act Reauthorization
2167 RAYBURN-10 A.M.

MR. CHAIRMAN, MR. BOEHLERT AND MEMBERS OF THE COMMITTEE: THANK YOU FOR GIVING ME THIS OPPORTUNITY TO DESCRIBE THE NEED TO PRIORITIZE FUNDING FOR COMPLETING THE DESIGN AND INITIATING CONSTRUCTION OF THE PROPOSED MOJAVE RIVER PIPELINE IN THE HIGH DESERT AREAS OF SAN BERNARDINO COUNTY, CALIFORNIA.

IN THE MOJAVE DESERT, WATER IS THE COMMON BOND UPON WHICH ALL LIVING THINGS DEPEND FOR SURVIVAL. PRESENTLY, THIS AREA OF MY DESERT DISTRICT IS ALMOST ENTIRELY DEPENDENT ON EXISTING GROUNDWATER SOURCES. THE PHENOMENAL GROWTH IN SOUTHERN CALIFORNIA HAS LEFT EXISTING BASINS OVERDRAFTED. THE CORPS OF ENGINEERS ESTIMATES THAT CONSUMPTION EXCEEDS THE NATURAL RECHARGE BY A RATIO OF TWO TO ONE AND THAT AN OVERDRAFT SITUATION HAS BEEN IN EXISTENCE AT THIS LOCATION FOR OVER 40 YEARS. OF EQUAL IMPORTANCE IS THE FACT THAT THE TRADITIONAL CHANNEL FOR WATER--THE MOJAVE RIVER HAS BEEN CONTAMINATED BY POLLUTED WATER ORIGINATING AT GEORGE AFB AND THE MARINE CORPS LOGISTICS BASE NEAR BARSTOW.

TO ADDRESS THIS SITUATION, THE MOJAVE WATER AGENCY HAS FORMULATED A REGIONAL WATERSHED MANAGEMENT PLAN WHICH CALLS FOR THE CONSTRUCTION OF A 55 MILE AQUEDUCT WHICH WOULD CONVEY STATE PROJECT WATER TO A GROUNDWATER RECHARGE FACILITY EAST OF THE DOWNSTREAM MARINE CORPS LOGISTICS CENTER. THE AQUEDUCT IS THE ONLY REASONABLE ALTERNATIVE TO THE EXISTING CHANNEL. ITS USE WILL ALLOW RECHARGING OF THE AQUIFER AND WILL CONTRIBUTE TO THE ISOLATION OF THE EXISTING CONTAMINATION.

THE LOS ANGELES REGION OF THE CORPS OF ENGINEERS IS BOTH FAMILIAR AND SUPPORTIVE OF OUR PROJECT. FRANKLY, I AM SUPPORTIVE OF THIS PROJECT WHETHER THE MONEY COMES FROM FMHA, EPA OR THE CORPS OF ENGINEERS. THE IMMEDIATE NEED IS FOR $5 MILLION TO COMPLETE PLANNING AND DESIGN. I WOULD WELCOME THE COMMITTEE'S GUIDANCE REGARDING ALTERNATIVES FOR GENERATING THE CAPITAL NECESSARY TO COMPLETE CONSTRUCTION.

TESTIMONY OF REPRESENTATIVE FRANK McCLOSKEY
BEFORE THE HOUSE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT REGARDING
THE WATER RESOURCES DEVELOPMENT ACT OF 1994

The Honorable Douglas Applegate, Chairman
2167 Rayburn House Office Building
10:00 a.m.
July 19, 1994

Mr. Chairman, I thank you for the opportunity to present testimony regarding several flood control matters of great importance in the 8th Congressional District of Indiana. The areas of concern include a levee near Evansville, streambank erosion threatening the town of New Harmony, and area-wide problems with the current local cost sharing requirements of the U.S. Army Corps of Engineers small projects program.

In April 1994, corrugated metal pipes 45-feet beneath a portion of the Knight Township levee collapsed. The levee is part of a 53,000-foot levee system in Vanderburgh County, Indiana, which protects the city of Evansville from the flooding along the Ohio River and Pigeon Creek, a local tributary. It was built by the U.S. Army Corps of Engineers under authority of the 1937 Flood Control Act.

As a result of the collapsed culvert pipes, Waterworks Road, a county road atop the levee, also caved in. The road serves several businesses, one of which already has had to shut down operations. It also is needed to relieve traffic congestion along U.S. 41, on which already scheduled repaving efforts have begun. Thus, Vanderburgh County has been forced to take immediate action to repair the levee and restore Waterworks Road. In fact, work continued through the past weekend.

The County is now working to replace the pipes. To date, it has moved 15,000 cubic yards of earth and has spent $300,000. Erosion caused by the culvert failure, subsequent rains and on-site repair-related excavation caused a siltation problem at a privately owned marina on the outflow side of the collapsed drain pipes. The marina had to be dredged -- at the County's expense. All the necessary repairs should be completed by early August. The overall cost to Vanderburgh County will be about $550,000.

An identical situation exists on a Corps-built levee near Jeffersonville, Indiana. Fortunately for local officials there, no emergency will exist so long as the needed repairs are completed before the next high-water event. However, if repairs are not completed by then, a genuine emergency will result.

Nonetheless, because these culvert collapses did not occur as the result of a flood event, the Corps lacks any authority to assist in their repair. Clearly, these collapses were not the result of deferred maintenance or other negligence on the part of local authorities. Rather, they simply are an example of projects reaching the end of their design lives.

That the Vanderburgh County government should be responsible for restoring the overall integrity of a $54 million flood control system, which otherwise is the mission of the Corps, seems to be neither the fairest nor the most effective way to protect the lives and property of residents of the Ohio Valley.

Therefore I urge, and I believe my colleague Mr. Hamilton will agree, that the Water Resources Development Act of 1994 amend public law 84-99 to allow the Secretary of the Army to undertake, on a cost sharing basis, the rehabilitation of certain flood control projects where it can be established that their failure, or imminent failure, was not the result of any lack of maintenance or other neglect, but the result of structural or design obsolescence.

However, if broader policy ramifications preclude any consensus regarding the inclusion of such language in the bill, I would instead request that the Subcommittee do include specific language to the bill declaring the Evansville, Indiana, Knight Township levee failure to be an emergency under section 14, and that it direct that work being performed by Vanderburgh County prior to enactment of the bill be eligible for reimbursement through that program.

With regard to the town of New Harmony, Indiana, I urge the Subcommittee to include language in the Water Resources Development Act of 1994, which it deems appropriate, to authorize over an appropriate time period the design and construction of a bank stabilization project along the Wabash River near New Harmony at an estimated total cost of $3 million.

It currently is anticipated that within the next 10 years, a meander of the Wabash River will begin to erode into the town of New Harmony, Indiana. As the site of a utopian society established by the Rappites from 1814 to 1827, New Harmony has significant historic significance. Over 50,000 tourists visit the town annually, and portions of the town have been listed in the National Register of Historic Places since 1960.

The U.S. Army Corps of Engineers already has investigated the situation there, and as recently as September 1992, completed a report which concluded that 1) river erosion will progress into the town, that 2) while the situation, and possible remedies to it can be studied under authority of Section 14 of the 1946 Flood Control Act, the Corps cannot pursue implementation of a solution until such time as the threat to public facilities is imminent, that 3) once the situation becomes a crisis, the cost of protecting the town -- estimated by the Corps study at $3 million -- exceeds Section 14 limits and that, therefore 4) "it is not likely that an erosion control project under the authority of Section 14 would qualify now or in the future."

Finally, I urge that as the Subcommittee reviews the existing U.S. Army Corps of Engineers programs, it consider changes to the Section 205, small projects, program. Currently, the reconnaissance studies required by phase I of Section 205, are followed by feasibility studies which must be cost shared.

However, as the end product of these studies can suggest that the benefits of a project do not justify the costs, many small communities are reluctant to commit to study costs associated with a project which might never be built. Thus, the Section 205 program, which was intended to help communities which might not otherwise be able to afford flood control projects, now includes a step which often precludes their participation.

I urge that the procedure be changed, so that cost sharing for feasibility studies only be required if the project is actually to be built.

TESTIMONY OF HON. ROBERT MENENDEZ
BEFORE
THE SUBCOMMITTEE ON WATER RESOURCES

Mr. Chairman, I come here today to request support for authorization for federal navigation projects by the U.S. Army Corps of Engineers in New Jersey. I particularly note the importance of these dredging related projects at New York Harbor and adjacent channels. I have included more detailed descriptions of these projects as attachments. The projects include: deepening the Kill van Kull and Newark Bay; extending the sediments decontamination technology program; instituting a dredged material disposal program; designating an ocean disposal site; reauthorizing and broadening the New York Bight and Harbor study; initiating sedimentation reduction strategies and finally instituting a permit process reform, the need for which I will focus upon in this testimony. These projects are vitally important to the commerce of the region. At a time when foreign commerce is integral to the expansion of our economy, it is vital that we keep the Port of New York and New Jersey open.

Mr. Chairman, I am also here to express my concern about the crisis in all of our nation's ports. This Subcommittee has championed the commercial use and preservation of our nation's navigable waters. Mr. Chairman, projects to maintain and improve our ports and harbors are taking far too long and are becoming bottlenecks to the expansion of our foreign commerce. The main reason those projects are taking so long is bureaucratic delays. The process of issuing permits for dredging has become so mired that many major ports are endangered of closing.

On March 1, 1994, Gen. Chinen, USACE testified before the Energy and Water Appropriations Subcommittee that the dredging problem at the Port of New York/New Jersey is "at the edge of a crisis." Navigational channels that are supposed to be between 30 and 40 feet deep are silted to 19 feet in some places. Large oil tankers cannot enter normal offloading berths. The tankers are being lightered by exchange to barges in open water anchorages. It is only a matter of time before there is a major oil spill in one of the world's busiest ports.

Due to bureaucratic snarls, 180,000 jobs are being threatened by the failure to dredge the Port of New York and New Jersey. There are 28 long standing permit applicants that have been ordered to redo testing or even restart the permit process. One application has been pending since 1986.

Mr. Chairman, I want to address the policy issues to you and to seek this Subcommittee's guidance to begin clearing away the gridlock. The cost of the slow and cumbersome permitting process is not only costing companies millions of dollars, it is also costing state and local governments millions. Just as importantly, this snarl is threatening national security. In my own district, the Marine Ocean Terminal, Bayonne, NJ, (MOTBY) has only within the last month resolved a long standing permit impasse which kept this important

facility from being fully utilized.

The situation in the New York/New Jersey area involves jobs that are high wage, skilled and organized labor; longshoremen, truckers, warehousemen, crane operators and tens of thousands of other inland jobs that depend on the port traffic. It is not an isolated problem. Boston and Oakland are at roughly the same critical point. At some point, every port in the country will have this problem, even those that have dredge containment areas that are not yet filled. Since 95% of America's foreign commerce passes through our ports, this is the single largest bottleneck to the expansion of trade. In light of the problems over the passage of NAFTA, it would not be wise for the federal government to sponsor, by the failure of environmental regulators, the diversion of port commerce to Canadian or Mexican ports.

I ask the Subcommittee to address the several layers of bureaucratic snarls. There is tandem federal jurisdiction. The U.S. Army Corps of Engineers is charged with issuance of dredging and disposal permits under section 404 of the Clean Water Act. The E.P.A. has jurisdiction over ocean dumping, under section 103 of the Marine Protection, Research and Sanctuaries Act, and discharges into navigable waters, under Federal Water Pollution Control Act. The problem is the ocean dumping regulations prohibit the disposal of material with "other than trace contaminants." The Ocean Dumping Act was passed in response to public concern about the disposal of sewage sludge and the appearance of medical waste on the shores of southern New Jersey. Dredged materials were incidentally swept within the ambit of the act. The standard for the disposal of dredged materials in the ocean is higher than any other environmental standard. It is stricter than standards for drinking water, air, food, medicine or the cleanup of a Superfund site.

Since the Ocean Dumping Act was passed in 1988, the technology to detect trace contamination has gone from parts per billion to parts per trillion or quadrillion. In large part the administrative gridlock is the result of an ephemeral policy in which detection of contamination becomes the effective standard. The rapid technological development of measuring equipment has totally outstripped our knowledge of the significance of these infinitesimal amounts of contaminants. While this is a valid area for research, it is a poor basis for a regulatory scheme.

Permit applicants are entitled to a clear process which has definite timelines and clear milestones for compliance with the law. Currently section 404 of the Clean Water Act and section 103 of the Ocean Dumping Act are uncoordinated provisions that lead commercial dredging permit applicant into an inescapable labyrinth. There has been a great deal of progress in the past six months. The Dredge Material Forum, which met just last week in New York, and the Inter Agency Task Force on the Dredging Process are finalizing proposals which will coordinate administrative procedures, but substantive legislative changes are also required. The following amendment builds on Chairman Mineta's reform proposal for section 404 of the

Clean Water Act. The amendment would:

1. provide for the selection of dredged material disposal alternatives based on a comparison of economic, environmental and technological feasibility with consideration of the anticipated economic and environmental benefits of undertaking the project to the status quo;

2. explicitly authorize comparison of dredged sediments to the historical background conditions at the disposal site to determine acceptability and the use of appropriate management measures to limit impacts of open water disposal;

3. provide for regulations to allow expedited renewal of permits for ongoing or periodic disposal activities where no new information necessitates reevaluation;

4. establish deadlines for consideration of permits that would be consistent with Administration reforms of the 404 process, including 90 day review in most cases and provisions for prompt administrative review if the agencies fail to act;

5. approved upland dredged material disposal sites would be exempted from consideration as wetlands and

6. federal agencies would be required to enter into an agreement to provide simplified and to the extent possible, coordination and uniform application of requirements under the Clean Water Act and the Ocean Dumping Act.

Similar streamlining and process coordination is required for section 103 of the Ocean Dumping Act. It is vital to the continued economic growth of our nation to ensure that there is a predictable regulatory program which does not exceed our ability to remedy the contamination that we may be able to detect at the limits of measurement.

I thank the Chairman and the Subcommittee for their time and consideration.

ATTACHMENT

PROPOSED WATER RESOURCES DEVELOPMENT ACT PROVISIONS

1. Kill van Kull- Newark Bay Deepening

Amendment: The Secretary of the Army is directed to continue engineering and design for the authorized navigation project, Kill van Kull and Newark Bay Channels, New York and New Jersey, authorized for construction in fiscal year 1985 Supplemental Appropriations Act (Public Law 99-88) and the Water Resources Development Act of 1986 (Public Law 99-662) and as described in the General Design Memorandum; and approved in the Report of the Chief of Engineers, dated December 14, 1981. The completion of the improvement to 45 feet is not to be considered a new start and is to be treated in all respects as a continuation of the existing authorized project, at an additional total project cost of $325,000,000.

Explanation: This is the major improvement project in the port to assure world class general cargo depths in New York Harbor. The purpose of the amendment is to maintain momentum in the deepening project now that Phase I is soon to be completed. The project was authorized in WRDA 1986 to a depth of 45 feet and for a total project cost of $325 million. Unanticipated conditions (solid rock) in the Phase I deepening to 40 feet resulted in appropriations that have consumed the amount authorized for the total project. In order to proceed to 45 feet, additional funding would be required. The additional amount of $325 million in the amendment represents a doubling of the original authorization. While it is an estimate, to be refined by the Corps of Engineers, it keeps the project within a positive benefit/cost ratio. The ratio cited in the Chief's Report is 7:1. It should be noted that the House Appropriations Subcommittee for the Energy and Water Development funding bill includes language directing the Corps to proceed with Phase II preconstruction work.

2. Sediments Decontamination Technology

Amendment: Extend section 405 of Public Law 102-580 (WRDA 1992) by replacing "$5,000,000" with "$10,000,000 and "1992" with "1994".

In addition, subsection (a) is amended by adding the following: "The Administrator and the Secretary shall report to Congress on progress made at the end of fiscal year 1995 and every year thereafter."

Explanation: The project authorized for the Port of New York-New Jersey to identify and demonstrate remediation technologies had a limited authorization of $5 million. Appropriations in that amount have been made and the project remains in its early stages. It is estimated that $10 million is needed in the next few years, beginning in fiscal year 1995. (Both House and Senate version of the EPA Appropriations bill for FY1995 include $1.38 million.

Authorization is necessary for that appropriation.)

3. Designation of an Ocean Disposal Site

Amendment: The Administrator in cooperation with the Secretary shall take whatever steps necessary to assure that a replacement or expanded dredged material ocean disposal site for the Port of New York and New Jersey be designated to enable dredging and dredging material disposal activities of that region to continue unabated.

Explanation: The existing Mud Dump designation by EPA is due to expire in a few years. The designation process for a new site or the expansion of the existing site has not proceeded at a timely pace. Since there is presently no alternative location for the disposal of the dredged material in the Port of New York-New Jersey, it is necessary that the Mud Dump or an interim site be approved to receive dredged material until a new, long term site is formally designated. This recommendation is consistent with the "straw proposal" under review in the region. It would continue ocean dumping at a new or expanded Mud Dump site for 9 additional years.

4. New York Bight and Harbor Study

Amendment: Section 326(f) of the Water Resources Development Act of 1992 is deleted and replaced with the following: There is authorized to be appropriated $10,000,000 for the fiscal years beginning after September 30, 1994. Such sums shall remain available until expended.

Explanation: WRDA 1992 reauthorized and broadened the NY Bight study (WRDA 1986) to develop a hydraulic computer model and to address dioxin issues. The $10 million is an estimate of the additional need which exceeds the $1 million authorization in WRDA 1992.

5. Reducing Sedimentation

Amendment: The Secretary shall study measures that could be used to reduce the rate of sedimentation in navigation projects in the Port of New York-New Jersey.

Explanation: The Corps would develop engineering strategies that could result in reduced maintenance dredging volumes.

6. Dredged Material Confined Disposal Program

Amendment: (a) PILOT PROGRAM. The Secretary shall construct and operate an underwater, confined dredged material disposal site for the purpose of demonstrating the feasibility of subaqueous borrow pits as an environmentally acceptable method of confining certain sediments from the New York Harbor. The Secretary shall construct and operate at federal expense a subaqueous confined disposal site:

1. after the necessary environmental reviews have been completed and within 18 months of the date of enactment;

2. in accordance with all applicable federal and state laws and regulations;

3. to accommodate as much as 250,000 cubic yards of dredged sediments that do not meet ocean disposal requirements;

4. for the disposal of dredged material resulting from non federal and federal navigation maintenance projects.

The Secretary may recover some portion of the operating costs of the program by charging reasonable tipping fees to non federal users.

(b) MONITORING PROGRAM. After the disposal site referred to in section (a) is filled to capacity, the dredged sediments are secured with clean sand and restored to the bay bottom contours, the Secretary shall conduct environmental monitoring of the site and after a year, report the findings and recommendations to the Congress.

(c) ADDITIONAL SITES. Before the monitoring period referred to in (b) is concluded, the Secretary shall complete engineering and feasibility studies and the necessary environmental reviews for the siting and construction of additional underwater confined dredged material disposal sites, consistent with the regional dredged material management plan in effect at that time. If the Secretary, in the report referred to in (b), recommends the construction of additional sites and the Administrator concurs, the construction of additional sites is authorized.

(d) AUTHORIZATION OF APPROPRIATIONS. For the purposes of this section, $15,000,000 is to be appropriated, beginning after September 30, 1994.

Explanation: Preliminary studies indicate that there are at least three sites with 16 million cubic yards of capacity in the New York Harbor region. Before construction of such pits, a pilot program would be conducted including a period of site monitoring with a report and recommendations. If the report is favorable, the Corps would proceed with other sites.

Statement of the

HONORABLE ED PASTOR
Arizona - Second District

before the

SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT
Committee on Public Works and Transportation

July 19, 1994

Mr. Chairman, I would like to thank you for allowing me this opportunity to testify before your Subcommittee today on behalf of my constituents and the State of Arizona. I have a number of projects and concerns that I feel are worthy of the Subcommittee's consideration, and I appreciate having this time to present the issues to you.

Rio Salado - Phoenix

I am requesting bill language for two related Corps projects located in the cities of Phoenix and Tempe, Arizona. Known as Rio Salado, a reconnaissance study was authorized for the project as part of the FY 1994 Energy and Water Development Appropriations bill. Originally conceived as one project, the initiative has now developed into two separate, but complementary, projects.

Over 25 years ago, the City of Phoenix envisioned a plan for the Salt River that would provide flood control, reintroduce water into the dry riverbed, and create recreational and development opportunities for this economically depressed region of the City. The proposed language would help make this vision a reality and turn a dry riverbed, that currently is home to sand and gravel pits and adjacent landfill sites, into a reliable flood control structure that will sustain previously-lost riparian habitats, provide recreational activities, and hopefully spawn an economic revitalization of the area. I am requesting $1 million for the feasibility phase of the project and $5 million for construction.

Rio Salado - Tempe

The Tempe version of the Rio Salado project, which is more developed and ambitious in scope than the Phoenix version, is upstream in the Salt River and ends where the Phoenix project begins. The initiative is an expansion of the enormously successful Indian Bend Wash project that was conducted by the Corps. This ephemeral stream bed is now the center of the City of Scottsdale's recreational activity while providing substantial flood protection.

The Indian Bend Wash drains into the Salt River. Tempe's Rio Salado project would roughly begin at this confluence and extend downstream for approximately five miles. The project would

continue the skillfully demonstrated environmental restoration of the Indian Bend Wash project and allow for the utilization of the same water resource and flood control opportunities on a more regional basis. In particular, the confluence of the Indian Bend Wash and the Salt River provides an ideal location for the construction of a "Town Lake," which will provide flood control, water quality enhancement, and fish and wildlife habitat restoration. Its location at the outlet of the Indian Bend Wash provides the opportunity to maintain the continuity established with the existing Indian Bend Wash project throughout the floodway area. I am requesting an authorization of $20 million for the construction of this expansion.

Mr. Chairman, the expansion of the Indian Bend Wash project into Tempe's Rio Salado project is consistent with the Corps' expanded environmental focus and provides many benefits in addition to flood control. Approval of both the Phoenix and Tempe projects would provide both cities and their communities with complementary flood control, environmental, and recreational benefits.

Environmental Infrastructure and Water Reclamation Assistance

Mr. Chairman, the Corps has continually demonstrated its professionalism and dedication to serving the public in its work throughout the State of Arizona. This work has largely been confined to flood control and prevention projects. Recently, however, the Public Works and Transportation Committee passed a Committee Resolution that broadened the scope of this work to include environmental protection and restoration activities. I want to further expand this authority, Mr. Chairman, and codify it in law. Water is the lifeblood of the West, and the conservation, storage, and treatment of this precious resource are matters of primary importance to Arizona and, in particular, its arid regions. The reuse and reclamation of waste water are also essential components to water conservation and environmental restoration and protection efforts in the State.

The expertise in western water issues the Corps has developed in its decades of work in Arizona makes the organization particularly qualified to successfully confront the many water-related environmental challenges the State faces. I am, therefore, proposing language to grant the Corps broader authority to assist in water and waste water environmental protection and enhancement projects. This new authority, Mr. Chairman, will permit the Corps to continue in, and expand, its environmental mission in Arizona where such initiatives are essential for environmental preservation to exist along with the continued growth that the State is experiencing.

Nogales Wash Payment Alteration

I am also requesting language to adjust the terms of the non-Federal contribution to the construction of the Nogales Wash and Tributaries Flood Control Project.

Authorized for construction in the Water Resources Development Act of 1990, the project will provide a 100-year level of flood protection and a flood warning system for the Chula Vista/Pete Kitchen community. The project was originally estimated to cost $6 million, with a non-Federal share of $1.5 million. The project costs have now increased nearly 100 percent to an estimated $10.9 million. As a result, the local sponsor, the Santa Cruz County Flood Control District, is now responsible for an estimated $4.3 million in construction costs.

Mr. Chairman, Santa Cruz County is simply unable to pay the local cost share for the project, which has increased by nearly 200 percent. The County has an exceptionally small population and tax base, and does not possess the resources to finance the unexpected rise in its contribution to the project. The only option available to the County is a voter-approved bond issue, the passage of which is unsure at best.

As you know, Sections 103(k) and 103(l) of the Water Resources Development Act of 1986 give the Secretary of the Army the authority to permit the non-Federal contribution to the project to be paid out over a thirty year period and to delay the initial payment for period of one year. I am requesting language directing the Secretary to apply these payment options to the project.

In addition, I am requesting that, pursuant to Section 103(m) of the Water Resources Development Act of 1986, the non-Federal contribution to the Nogales Wash project be reduced to 10 percent of the total cost of the project. To understand this request, Mr. Chairman, one must consider the geography of the project. The Nogales Wash, which is the major drainage system for the City, originates in Nogales, Sonora, Mexico and flows north into Nogales, Arizona. The population of Nogales, Arizona is approximately 20,000, while the population of Nogales, Sonora is well over 200,000. Uncontrolled growth in Nogales, Sonora and lack of adequate water drainage and waste water infrastructure have greatly increased runoff, which is often severely polluted, into the Nogales Wash floodplain. The result for Nogales, Arizona is frequent flooding, erosion, and public health problems.

The construction of existing flood control structures in Nogales, Arizona and Nogales, Sonora was conducted by the International Boundary and Water Commission, demonstrating a recognition of the binational character of the flooding problems. I am asking, Mr. Chairman, for a continued recognition of the international nature of flooding in Nogales, Arizona. The County should not be expected to incur the full costs associated with flooding that results from the inadequate infrastructure of a foreign nation. It is rightfully the responsibility of the Federal government to assume the responsibility for transboundary issues such as this. All I ask for is an acknowledgement of this responsibility and a respective reduction in the non-Federal contribution from 25 percent to 10 percent of the total project cost.

Gillespie Dam to Yuma Feasibility Study

In January and February of 1993, large amounts of water from the Gila River system across Arizona drained into the lower Gila River below Gillespie Dam in the area of Painted Rock Dam in southwestern Arizona. Record levels of water rushed over the Painted Rock Dam's spillways causing one death and tens of million of dollars in damage to homes, roadways, and highly valuable agricultural lands. In response to these dramatic flood events, funds were provided in the FY 1994 Energy and Water Development Appropriations bill for the Corps to conduct a flood control reconnaissance study.

The losses incurred during the flood events were extraordinarily severe, and resulted in a Presidential Disaster Declaration. I am, therefore, requesting language to direct the Corps to move into a feasibility study for flood control options along this section of the Gila River. Currently, Painted Rock Dam serves exclusively as a flood control structure. The feasibility study will explore other purposes for the Dam and Reservoir, such as water conservation and fish and wildlife restoration, in conjunction with its flood control mission.

The people of southwestern Arizona, Mr. Chairman, are still recovering from the floods of nearly two years ago. It is absolutely imperative that the appropriate flood control measures be implemented as quickly as possible to avoid any future disasters.

Mr. Chairman, I once again thank you for your time and for allowing me to present these important requests to you.

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Earl Pomeroy
Congress of the United States
North Dakota

**TESTIMONY OF REPRESENTATIVE EARL POMEROY
ON THE BUFORD-TRENTON IRRIGATION DISTRICT BEFORE
HOUSE SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT
JULY 19, 1994**

Mr. Chairman, members of the Committee, I appreciate the opportunity to testify today in support of legislation to address a very serious problem in my state of North Dakota.

While I have been working on the matter I am about to describe since I first got here last year, the problem has been brewing since 1954.

Garrison Dam was built on the Missouri River by the Corps of Engineers under the 1944 Pick-Sloan Flood Control Act. It created Lake Sakakawea, one of the largest man made lakes in the world. It reaches from central North Dakota to almost the state's western border with Montana.

At the time the dam was built, there was controversy over what would be the operating level of the pool. On February 18, 1954, the Mayor of Williston, North Dakota testified before the House Appropriations Subcommittee on Civil Functions and Military Construction that the planned pool level of 1850 feet would be destructive to the City of Williston and the irrigation districts located along the Missouri River. The city instead argued for a level of 1830. The city's fear was that a level of 1850 would bring to their doorstep that point where the Missouri River dumps into the Lake. This they said would result in extensive silt deposits as the rapidly flowing river slowed to empty into the Lake. As you know, suspended solids tend to drop out of water as it slows. This is called aggradation.

Well, the city lost and their worst fears have now been realized. The river outside of Williston as it approaches Lake Sakakawea is being dramatically altered, with serious consequences. The specific problem that I am asking the Committee to address in its 1994 water bill relates to the Buford-Trenton Irrigation District, a 10,000 acre irrigation project located along the River 15 miles north of Williston.

The Buford-Trenton project was originally developed by the Bureau of Reclamation between 1940 and 1943 and is now operated and maintained by the Irrigation District. About 40 landowners make up the District, producing crops such as sugar beets, durum, alfalfa, barley, dry beans, and corn. North Dakota State University has estimated the economic impact to the area at approximately $11 million and responsible for about 140 jobs, beyond the farmers themselves. Irrigated land in the area produces about 15 times as much as dry-land farming.

The gates at Garrison Dam were closed in 1953, but Lake Sakakawea did not reach the 1850 level until 1965. Just two years later, water was being found in basements along the River and crop production was suffering due to the rising water table.

The bed of the river channel has been steadily rising over the years, reducing its carrying capacity. The river is becoming wider and slower moving, with a less efficient channel. In effect, a sort of delta is being created, raising the water table and hindering the natural groundwater drainage into the River.

Mr. Chairman, there are some areas where at certain times of the year one has to dig down only several inches to find water! At times, some of this land will not even support farm equipment. It is literally flooding out from below.

Another result of the aggradation is the increased likelihood and severity of spring flooding. Residents in the area live in fear each spring that it could be the year when the ice jam flood comes which permanently destroys the irrigation works and renders their land worthless.

With regard to the rising water table, the Corps Omaha District's Reconnaissance Report published in December of 1993 stated the following:

> "Aggradation of the Missouri River channel in the vicinity of the study area began to occur after the reservoir first approached the base elevation of its flood control pool in 1965. Continued aggradation has contributed to a rising ground water table and has caused difficulty in farming operations within the District. It is the feeling of the farmers and landowners that the higher ground water levels have adversely affected crop yields within the District. Aggradation has also decreased channel capacity and increased stage, thereby increasing the frequency of flooding."

It goes on to say that the bed of the river in the Buford-Trenton area has risen from two to ten feet and will continue to rise about one foot every six or seven years.

As I said, this comes from the Omaha District's Reconnaissance Report. However, I must tell the committee that the Assistant Secretary's office has not fully endorsed the District's findings that these problems are the direct result of the construction of Garrison Dam. In fact, I find it terribly disappointing that some in Washington are unwilling to accept the conclusions of their own technical people in the field; those who have studied the problem for years and understand what is actually going on out there. Nonetheless, I am heartened by Acting Assistant Secretary Zirchky's willingness to work with me to find a solution to the problem. In fact, he toured the area recently and met with the landowners. Dr. Zirschky recognizes that the approximately forty families who have made their living farming in these lowlands, since long before the dam was even built, deserve to have this problem addressed.

With regard to possible solutions, there appear to be no economically viable structural solutions. The Corps has looked at levees, dredging, ice control structures, groundwater pumps, and other structural options and none have a positive benefit/cost ratio.

Therefore, we have zeroed in on two possible non-structural options. The first is to have the Corps acquire the land in fee title and lease it back to the farmers. While this may be the simplest way to go, the Irrigation District, Williams County, the City of Williston, and the State of North Dakota all view this option as a last resort. Few in my state want the federal government to own more land. Locally, they do not want to further reduce the property tax base. In addition, once the land becomes completely unproductive, there is the question of who will manage it? The U.S. Fish and Wildlife Service and the North Dakota Game and Fish Department have both indicated they cannot afford such an undertaking.

Therefore, instead of fee title acquisition, we believe the preferred option is to have the Corps purchase flowage easements on the land. The advantage of flowage easements are as follows:

- Allows title to stay with the landowners
- Control of the land stays with the landowners
- Retains the property tax base
- Removes Corps liability
- Allows renters to continue farming
- Reduces operation and maintenance costs to the Corps
- Lowers the cost to the federal government
- District can still operate as a Pick-Sloan project
- Keeps the irrigation district operating as long as possible

This last point is of critical importance to the community. The District is an important economic contributor to the region and we must keep it operational for as long as possible. However, in order to make the economics of the project work, all 10,000 acres, or close to it, must be in production.

I am continuing to work with the Corps to fashion a proposal on how a flowage easement might be structured. In this regard, I hope we can soon finalize a plan which will compensate landowners for:

1. Past damages
2. Ongoing production losses from groundwater problems
3. The risk of a future ice jam flood which could permanently destroy the project

Although the Corps still prefers fee title acquisition, I do not expect them to oppose a reasonable flowage easement plan.

Mr. Chairman, these people have been waiting 30 years. What the Mayor of Williston predicted in 1954 has come true. Their livelihood is slowly being taken away from them by a project constructed by the U.S. government. With the support of your committee, we can do right by these families.

Thank you again for the opportunity to appear today and if you have any questions I will be happy to answer them.

Hon. John Edward Porter

Chairman Applegate and Congressman Boehlert, thank you for this opportunity to testify before the House Public Works Subcommittee on Water Resources and the Environment. I have come before the Subcommittee today to express my support for an Army Corps of Engineers request for additional budget authority for the North Branch Chicago River Project.

The North Branch project was undertaken in response to severe flooding along the North Branch of the Chicago River in 1982. It was authorized in section 401(a) of the 1986 Water Resources Development Act (P.L. 99-662) and provides for construction of three reservoirs located on two forks of the River. While the project is not fully complete, the reservoirs have already been used on a number of occasions and have prevented tens of millions of dollars' worth of flood damage in my congressional district.

The project enjoys strong local support as demonstrated by the four local cooperation agreements executed with three different sponsors for the project. While the scope of the project is the same today as when it was authorized, the total cost of the project has exceeded the authorized amount.

The project's cost has increased from the authorized cost of $22.7 million to $34.8 million, according to the Army Corps. The increased cost is due to inflation ($2.59 million); increases in land values ($4.192 million); increases in engineering, design and construction costs ($4.187 million); and increases in the cost of reimbursing non-federal interests for two of the three reservoirs ($1.131 million).

It is my understanding that the Corps needs an additional $5.077 million in budget authority to complete this project and that it has requested that this authority be included in the Water Resources Development Act currently under consideration by the Subcommittee. I strongly support this request and ask that the Subcommittee provide this additional authority.

I thank the Subcommittee for its time.

Hon. Tim Roemer

Mr. Chairman, I would like to thank you and the Ranking Republican as well as the rest of the Subcommittee for this opportunity to testify before you today.

My request is a simple one. I am seeking authorization for the Army Corps of Engineers to begin restoration action at Koontz Lake, Indiana. This lake requires reduction of sediment and nutrient deposition due to eutrophication, and we would like the Corps to conduct an investigation into the necessary plan of action. They would then pull together a physical plan, budget, determine a disposal site, and a prioritization.

The Chicago Corps Office is well aware of this project, and money has already been appropriated for it. We sought, and were given, $100,000 in Fiscal Year 1993 and $200,000 in Fiscal Year 1994. However, we were under the impression that existing authority covered the requirements for the work that needs to be done at Koontz Lake. As it turns out, specific authorization is needed, and I am here to ask for your help in obtaining it.

The recommended method of removal is suction dredging, after improving the water quality of the Lawrence-Pontius Ditch (according to a local study). This does not require draining the lake, and follows numerous other steps taken locally to preserve and protect the area. This project may qualify as a priority due to its importance as a habitat.

As I stated, the Corps is aware of the project, and the appropriated funding is being held in reserve at my request pending authorization. A Project Manager, District Environmental Staffer and Economist have all been selected and assigned, but cannot proceed without an authorization.

This is a simple and basic project, and I sincerely hope the Committee will agree and provide the necessary authorization.

A draft copy of suggested authorization language provided by the Corps of Engineers is attached.

STUDY AUTHORITY

Sec._____. The Secretary of the Army is authorized to conduct a study for the restoration of Koontz Lake, Indiana. The study shall include, but not be limited to, the removal of silt, sediment, nutrients, aquatic growth and other noxious materials from Koontz Lake as well as public access facilities, and measures to prevent or abate the deposit of sediments and nutrients in Koontz Lake.

Statement of the Hon. E. Clay Shaw, Jr.
before the
House Subcommittee on Water Resources and Environment
July 19, 1994

Mr. Chairman, I appreciate the opportunity to testify before you and the Subcommittee to express my support for the reauthorization of a strong Water Resources Development Act. I would also like to express my concern with another problem in Florida that is literally growing every day. I am referring to the noxious weed Melaleuca (Melaleuca quinquenervia), which is changing the fragile ecosystem in and around the Everglades National Park to the detriment of our water supply.

As you know, I have long been interested in the environmental health of the Everglades. I have and will continue to support appropriate efforts that are committed to protecting and enhancing the remaining 17,000 square miles that comprise this ecosystem.

The Everglades is on the brink of ecological collapse -- so sick it might soon be the first National Park to be considered environmentally dead. Already, the Big Cypress National Preserve and the Loxahatchee National Wildlife Refuge are seriously infested with this pest. Rampant, uncontrolled growth of the Melaleuca drains the Everglades' water without playing any significant role in the food chain. The prolific Melaleuca crowds out indigenous plants and wreaks havoc on the food chain that sustains animal life. It is turning a unique environment teeming with life into a dry, monospecific forest.

Melaleuca was introduced to Florida from Australia in the early 1900s. It was originally brought into Florida for several purposes: as a potential lumber tree, as a windbreak, as an ornamental, and to help dry up the Everglades, which was then considered a wasteland. Since it was introduced, Melaleuca has spread so rapidly throughout South Florida's native Everglades that it has become a serious pest. It now threatens to permanently replace and eliminate Florida's natural plant communities and the animals that live in them. Recent surveys of Melaleuca indicate that it infests between 400,000 to 600,000 acres in South Florida, with 80,000 acres being dense stands of the weed. These pure, monospecific forests of Melaleuca are often so dense that neither animals nor people can move through them.

Predictions of the spread of Melaleuca indicate that over 50% of the Everglades' wetlands would be infested by the end of the century. Officials from the Everglades National Park and the South Florida Water Management District have informed me that Florida loses an estimated 52 acres a day to Melaleuca.

Another serious problem with Melaleuca is that Melaleuca forests use four to five times more water per acre than do the sawgrass prairies which are usually found before Melaleuca takes over. The Everglades provides all of the water that supplies the Biscayne Aquifer, which is the primary water source for South Florida. With an already overburdened water supply, the addition of Melaleuca to the water recharge system of the Everglades may further lower our regional water tables, straining these already overused water supplies even more.

According to experts most acquainted with the Melaleuca problem, the best, long-range hope for control and suppression of serious, widespread pest plants like Melaleuca is an approach called "classical biocontrol." What is entailed with classical bio-control is a careful survey of insects, and sometimes pathogens, in the pest plant's native habitat, which in this case

is Australia. Once it is determined that such insects exist, the ones deemed most promising are tested in their native habitat to be sure they only feed on the one species of plant you wish to control. It is then tested on native horticultural and ornamental plants that occur in the area where control is desired, in this case, South Florida.

Once the Australian testing is completed, the best insect species would be brought into strict quarantine in specially designed USDA facilities and retested using strict criteria to again ensure that these insects only eat Melaleuca. Only after this thorough testing are any of the insects released to begin their work. This approach comes from an understanding of the natural history and biology of a species and does not rely on a "high-tech" quick fix.

Although classical bio-control is not widely known to the general public, it is being used on an ever-widening basis to control exotic plant pests. The Army Corps of Engineers already spends millions of dollars each year on the removal of exotic aquatic plants in Florida, such as waterlettuce. Hopefully this expenditure can someday safely be reduced when biocontrol agents fully take effect.

Currently a Melaleuca biocontrol project is under way at the Fort Lauderdale Research and Education Center in Broward County, Florida, called the Aquatic Plant Management Laboratory, which is under the direction of the ARS, an arm of the USDA. Testing in Australia has begun, and over two hundred potential insects have been identified. Two insects, the Melaleuca weevil, and the Paperbark sawfly, are promising candidates for introduction to this country. The USDA has brought these insects to Florida for further testing. Funding and support for this project is provided by USDA, the Army Corps of Engineers, the National Park Service, Everglades National Park, the Florida Department of Natural Resources, the South Florida Water Management District, the Dade County Department of Environmental Resources, the Lee County Division of Resource Management, and the Florida Department of Environmental Protection.

Unfortunately, Melaleucas grow so densely, and are so widespread in remote parts of the Everglades, and the process of killing them so tedious, that it will be a long time before Melaleuca no longer constitutes the threat it does today. However, until biocontrol methods become fully operational, which is not expected even under ideal conditions until at least 1997, manually killing Melaleuca to staunch their spread is what we must do.

Mr. Chairman, I have been actively involved with the Melaleuca issue, and the problem my home state faces because of noxious weeds, since 1989. I have attacked this problem on many fronts, and progress had been made. Most notably, I am pleased to report to the Subcommittee that after over two years of negotiations with the USDA, my request to add Melaleuca to the Federal Noxious Weed List was approved on March 13, 1992. I was supported in this effort by the entire Florida delegation and numerous environmental and governmental groups in Florida. Melaleuca was the first such weed in at least 12 years to be designated a federal noxious aquatic weed. While I am pleased that Melaleuca is now recognized by the federal government as a threat to Florida's native ecosystems, we in Congress must continue to assist in this battle however we can.

Another impediment to progress in controlling Melaleuca is the lack of a biocontrol quarantine facility. The Aquatic Plant

Management Lab presently shares a quarantine facility at Gainesville, Florida with the Florida Department of Agriculture and the University of Florida at Gainesville. However, the Gainesville facility is far from the main infestations of Melaleuca and facility space specifically to quarantine insects to control Melaleuca is limited.

In effect, I have been working to obtain $4 million for a Melaleuca bio-control quarantine facility to be located in Davie, Florida. It is important to note that this facility would not be dedicated solely to Melaleuca but also to biocontrol of other important noxious weeds, such as the Brazilian pepper, the Australian pine, and water lettuce.

I am pleased that, with the help of this Subcommittee, the House Public Works Committee included a $1 million authorization for the Melaleuca quarantine facility in the Water Resources Development Act of 1992.

A $1 million appropriation for the Melaleuca quarantine facility was included in the FY 1994 Energy and Water appropriations bill. However, Congressman Deutsch and I are seeking the remaining $3 million authorization and appropriation for this needed project. We will be introducing an authorization bill tomorrow, which already has most of the Florida delegation as original cosponsors. In addition, the South Florida Water Management District, the Everglades National Park, and the Everglades Coalition have endorsed this initiative.

The Army Corps of Engineers and the Department of Agriculture are currently in the process of issuing a Memorandum of Understanding, which is expected to be completed within the next two weeks. This document clarifies the responsibilities of each agency in regard to the facility. It is my hope that the Subcommittee recognize the seriousness of the Melaleuca and therefore give careful consideration to the authorization of the Melaleuca quarantine facility as a vital component to the Water Resources Development Act of 1994.

Mr. Chairman, let me state that experts have told me that the second greatest threat to the Everglades is posed by the invasion of exotic plants, and Melaleuca is the number one invasive plant (water quality and quantity problems are the first). Finally, almost a century after Melaleuca's introduction to Florida, a remarkable coalition including Congress, federal agencies, state agencies, county agencies, concerned scientists, and environmentalists have coalesced to fight this threat head-on, instead of piecemeal. Congressional support is needed to demonstrate that the Federal Government is indeed serious about this threat. Clearly, the costs for this facility seem low when compared to the impending losses, and especially the damage that will be caused to Florida's jewel, the Everglades.

In closing, I would like to thank the Subcommittee for the opportunity to submit this testimony on Melaleuca and the need for a quarantine facility. I look forward to working with the Subcommittee to combat this invasive pest so we can help restore the Everglades, Florida's most precious natural resource.

Figure 1- Most recent estimate of the present melaleuca distribution in southern Florida. (USDA Forest Service and SFWMD, 1993 unpublished)

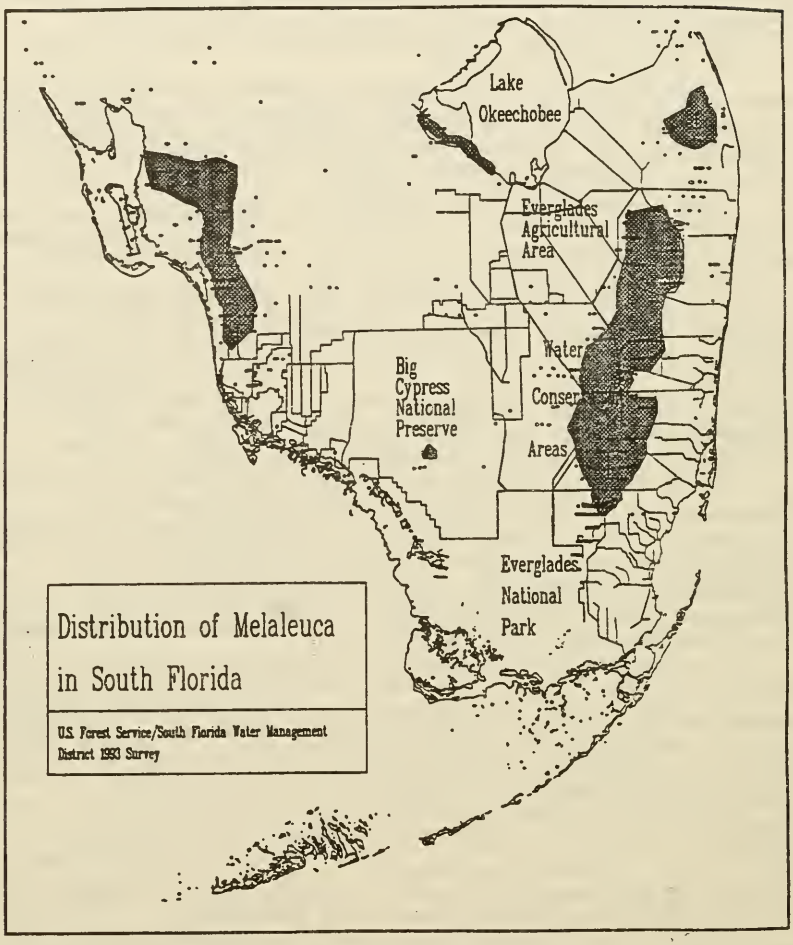


Figure 4- Occurrence of melaleuca throughout South Florida in 1980 and 1993.

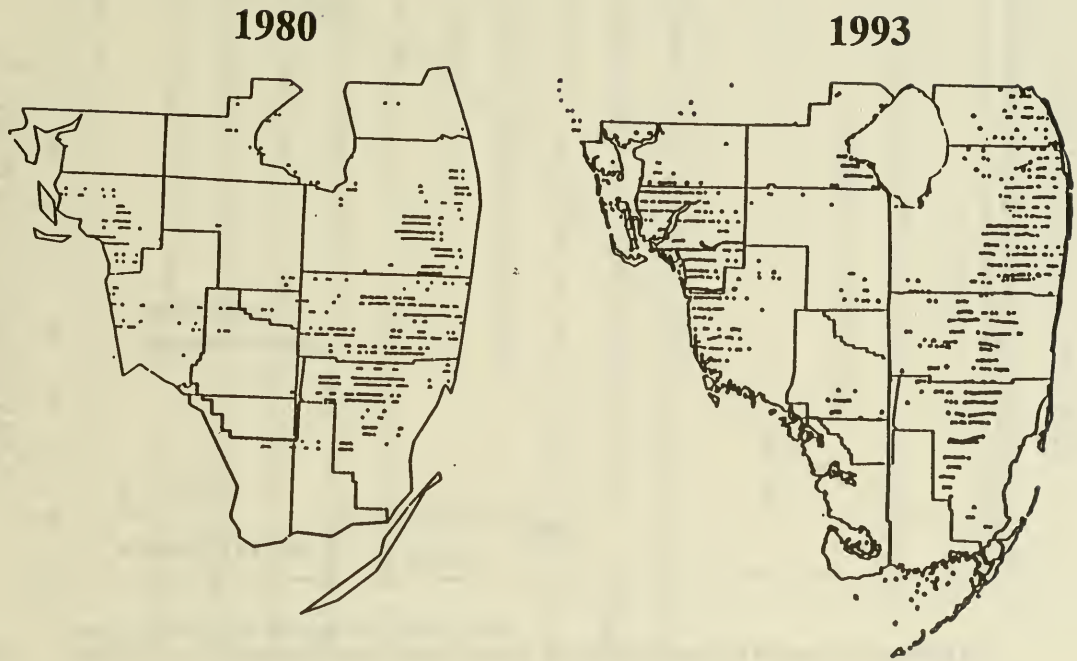
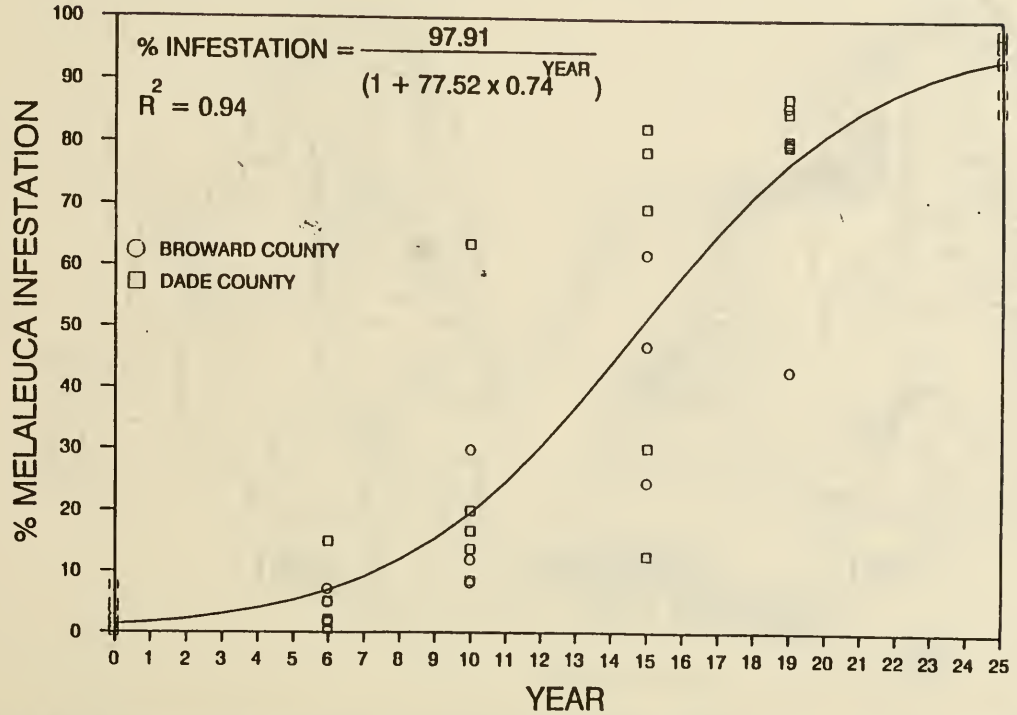


Figure 3- Infestation trend of melaleuca within selected sections, each encompassing one square mile, in Broward and Dade County, Florida. (Laroche and Ferriter, 1992)



1965 1971 1975 1980 1984 1990

TESTIMONY OF BART STUPAK
BEFORE THE WATER RESOURCES SUBCOMMITTEE
OF THE
PUBLIC WORKS AND TRANSPORTATION COMMITTEE
TUESDAY, JULY 19, 1994

Mr. Chairman, I appreciate the opportunity to appear before you today to talk about water projects in the first Congressional district of Michigan because, as you know, my district has more coastline than any other congressional district in the nation except Alaska.

There are four projects in my district that are scheduled to be deauthorized soon if a continuing authorization is not granted. Without going into great detail - I've attached an explanation to my testimony - I am asking the committee to continue the authorization for the Ontonagon Harbor, the Alpena Harbor, the Cross Village Harbor and the Cedar River Harbor projects.

I do want to get into details about the Soo Locks, Manistique Harbor and Grand Marais Harbor.

First Grand Marais Harbor:

The existence of the Grand Marais Harbor was first mentioned in 1660 in the journals of two French travelers and it first appeared on a map prepared by two other Frenchmen in Paris, France in 1745. Since the construction of the original breakwall in 1894, there has been little or no maintenance to the harbor. The harbor is filling with sand at a rate of 100,000 cubic yards each year. Without a breakwall, the harbor will be totally destroyed. In 1978 and again in 1992, Congress directed the Corps of Engineers to review the situation at Grand Marais. And now, the Senate energy and water appropriations bill includes $100,000 to fund an economic study of the harbor. We've studied this problem to death. What we need is action. Therefore, I am asking the committee to include language in this bill directing the Corps of Engineers to construct a breakwall.

The second project I want to discuss is Manistique Harbor.

Manistique Harbor has been the subject of U.S. Environmental Protection Agency cleanup plans since spring of 1993. At that time, EPA announced its intentions to remove PCB sediments from the harbor by emergency dredging. Approximately one year and more than $2 million later, EPA has now announced its plans to study the harbor more. At issue is the selection of an appropriate remedy for cleaning up the harbor.

The current debate is whether to cap, which would cost between two and eight million dollars, or dredge, which would cost between 30 and 115 million dollars.

Manistique Papers and Edison Sault Electric Company have cooperated with the EPA and have conducted intensive monitoring and extensive studies assessing human health and environmental risks. The Manistique community is strongly in favor of capping and opposed to dredging. Capping would not adversely impact commercial shipping because the harbor depth is too shallow for today's deep draft, self-unloading lake carriers.

Today, I am asking the committee to modify the authorized harbor

depth from 18 feet to 12 feet. This will allow the EPA to cap the harbor. Without this change in the law, the work cannot be done. The Detroit District of the U.S. Army Corps of Engineers has advised me that they have no objection to this change.

I strongly support the capping solution. This is a small community with limited resources and Manistique Papers is a major employer. Capping effectively isolates the PCB containing sediments from the surrounding environment and stabilizes them against erosive forces. Dredging will stir up sediments and cause resuspension of PCB, some of which will migrate into Lake Michigan. Capping is the most cost-effective solution and is consistent with EPA criteria for cleaning up PCBs.

So, I am asking this committee to direct the EPA to cap the PCBs in Manistique Harbor without further, costly delays.

Finally, I want to tell you about the Soo Locks.

The Soo Locks is made up of four locks that play a vital role in the

movement of freight through the Upper Great Lakes system. In 1991, 88.3 million tons of freight moved through the Soo Locks. Since the mid-1800s, the total tonnage that has moved through the Soo Locks has been almost eight billion tons. 29 lake vessels are restricted to the existing large lock - the Poe - because of length and/or beam dimensions. These vessels comprise two-thirds of U.S. lake fleet capacity.

In 1986, Congress authorized the construction of a new, large replacement lock. This year we were successful in getting $200,000 in the House and Senate appropriations bills to begin the preconstruction engineering and design phase of the new lock. The old and outmoded Davis and Sabin locks are in jeopardy of structural failure and cannot be economically repaired. And, if the Poe Lock is suddenly unusable for any reason, there are no reasonable transportation alternatives. The new lock will be built as a replacement lock.

We must build this new lock. The problem is the non-federal share of the project.

The $98 million non-federal share is an excessive burden where no "local" beneficiaries can be identified. The beneficiaries are region-wide and impact the national economy because 70% of all the raw materials used in the steel industry goes through the Soo Locks. The U.S. Army Corps of Engineers has determined that the lock system is vital for national defense planning purposes.

I am asking the committee to consider ways to reduce this burden by extending to fifty years the length of time to pay for non-federal share. Also, some adjustment needs to be made to account for the 20 to 30 percent of Soo Lock's traffic that is Canadian in origin or destination, which doesn't pay a fee to use the locks. This should be picked up by the federal government, before the non-federal share is determined, then seek reimbursement from the Canadian government. And, finally, we need to develop a formula for spreading the burden among all the beneficiaries. Michigan cannot and should not bear this hardship alone.

Mr. Chairman, I appreciate the opportunity to be here today and I'd be happy to answer any questions.

Projects scheduled for deauthorization prior to 1998 within the first Congressional District of Michigan:

DEAUTHORIZATION UNDER SECTION 1001 (a)

Ontonagon Harbor, Ontonagon County, MI (1962 R & H Act)

Continued authorization for increasing the depths of the harbor channels (from 15/17 feet to 21/22/23 feet), construction of an inner basin (21 feet), and a sedimentation basin (30 feet). This project will be automatically deauthorized on November 28, 1995 as called for by this section of Public Law 99-662 (as amended by Section 52, Public Law 100-676).

DEAUTHORIZATIONS UNDER SECTION 1001 (b)

Alpena Harbor, MI (1965 R & H Act)

Continued authorization for increasing the depths of the harbor channels (from 18.5/21 feet to 22/24 feet) and construction of a new Turning Basin at the shoreline (19 feet deep). This project was reported to Congress in January, 1993, and will be deauthorized in June 1995 as called for by this section of Public Law 99-662.

Cedar River Harbor, MI (1965 R & H Act)

Continued authorization of a new rubble mound east pier, the rehabilitation of the west pier, and dredging a channel approximately 2,050 feet long in Green Bay and Cedar River. This project was reported to Congress in January, 1993, and will be deauthorized in June 1995 as called for by this section of Public Law 99-662.

Cross Village Harbor, MI (1965 R & H Act)

Continued authorization of a light-draft commercial and recreational harbor. This included construction of breakwaters, dredging of an anchorage, dredging of a maneuver area, and removal of a portion of the existing breakwater. This project is scheduled to be reported to Congress in the summer of 1994 and be deauthorized in the winter of 1997 as called for by this section of Public Law 99-662.

PUBLIC LAW 99-662 (17 Nov 86)

TITLE X - PROJECT DEAUTHORIZATIONS

Sec. 1001. (a) Any project authorized for construction by this Act shall not be authorized after the last day of the 5-year period beginning on the date of enactment of this Act unless during such period funds have been obligated for construction, including planning and designing, of such project.

Sec. 1001 (b) (2) Every two years after the transmittal of the list under paragraph (1), the Secretary shall transmit to Congress a list of projects or separable elements of projects which have been authorized, but have received no obligations during the 10 full fiscal years preceding the transmittal of such list. A project or separable element included in such list is not authorized after the date which is 30 months after the date the list is transmitted if funds have not been obligated for construction of such project or element during such 30-month period.

PUBLIC LAW 100-676 (17 Nov 88)

Sec. 52. PROJECT DEAUTHORIZATIONS.

(a) Extension of Limitations on Period of Authorization. -

(1) Projects in this Act. - The provisions of Section 1001(a) and Section 1001(c) of the Water Resources Development Act of 1986 shall apply to the projects authorized for construction by this Act, except that the 5-year period during which funds must be obligated to prevent deauthorization shall begin on the date of the enactment of this Act.

(2) Projects Thereafter. - The provisions of section 1001(a) and section 1001(c) of the Water Resources Development Act of 1986 shall also apply to projects authorized for construction subsequent to this Act, except that the 5-year period during which funds must be obligated to prevent deauthorization shall begin on the date of the authorization of such projects.

TESTIMONY OF THE
HONORABLE BILLY TAUZIN OF LOUISIANA
BEFORE THE
SUBCOMMITTEE ON WATER RESOURCES
COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
UNITED STATES HOUSE OF REPRESENTATIVES

2165 RAYBURN HOUSE OFFICE BUILDING
JULY 19, 1994

HONORABLE BILLY TAUZIN OF LOUISIANA
STATEMENT
BEFORE THE
SUBCOMMITTEE ON WATER RESOURCES
COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
UNITED STATES HOUSE OF REPRESENTATIVES
JULY 19, 1994
****

Mr. Chairman and Members of this Committee, today I would like to briefly present to you the concerns that I believe are vital to the State of Louisiana and the nation. Louisiana provides this nation with a vast array of products and services that are dependent on management and development of our waterways. We have a conglomeration of ports which are the gateway of commerce to America, oil and gas production in the Gulf of Mexico, and forty percent of the nation's wetlands which provides the world with one of the richest seafood production areas in the United States.

There are several areas I would like to briefly speak about today. I will provide additional materials on each one for your subcommittee's use.

PORT FOURCHON ACCESS CHANNEL

Port Fourchon is located at the mouth of Bayou Lafourche as it empties into the Gulf of Mexico. It is easily accessible from any area in the Gulf of Mexico, the Caribbean, and by land to New Orleans via Louisiana Highway 1.

The River and Harbor Act of 1930 authorized the construction of a jettied channel from the Port to the Gulf of Mexico. The River and Harbor Act of 1960 authorized this channel to be federally maintained to a depth of 12 feet.

In 1967, given the offshore industry's use of larger vessels the Greater Lafourche Port Commission applied for and was granted a permit to dredge and maintain the channel to a depth of 20 feet.

The last time that the Port Commission dredged the channel to that depth was in 1980. The Water Resources and Development Act of 1986 authorized a study to consider the feasibility of Federal maintenance of the channel to the increased depth of 25 feet. The draft feasibility study concerning this project has just been released and shows a positive cost to benefits ratio. The Army Corps Division Engineers notice is expected by September 1 of this year.

Mr. Chairman, I hereby request authorization for this

critical project. Given the current and future dependence of the Gulf of Mexico's energy and related industries on the Port Fourchon access channel, the deepening and federal maintenance of this channel is clearly within the national objective of federal water resource planning.

ST. BERNARD PARISH FORGIVENESS

Mr. Chairman, I also ask for the assistance of this Subcommittee on a project of heartbreaking proportions in my District.

The Mississippi River Gulf Outlet (MRGO), a 76 mile long shipping channel for oceangoing vessels from the Gulf of Mexico to New Orleans is an environmental disaster, slashing through 70 miles of St. Bernard Parish, Louisiana. When this Corps of Engineers project was planned, the Parish could not have foreseen the devastation which has been wrought by the channel. Additionally, the Parish anticipated receiving significant revenues from development of areas adjacent to the levee which were subsequently classified as wetlands and could not be developed.

When the MRGO was about 75% completed, Hurricane Betsy severely damaged the area. The Parish concluded that the MRGO enhanced the storm surge. For this reason, the St. Bernard Parish and the Lake Borgne Basin Levee District entered into an agreement with the federal government to pay 30% of the cost of a new hurricane protection system. They had no choice, and they believed anticipated revenues from the MRGO would pay for the hurricane protection.

Mr. Chairman, the Parish and Levee District have already paid more than enough in money, suffering, and environmental degradation. Due to the deficit budget situation which exists in the Parish, it is not capable of making the balloon payment on the project.

I respectfully request that the Subcommittee adopt language which I will provide to grant forgiveness to St. Bernard Parish and the Lake Borgne Basin Levee District for their part of the Lake Pontchartrain Hurricane Levee Project.

BAPTISTE COLLETTE CHANNEL

Mr. Chairman, I also ask the Subcommittee's assistance with approval to designate the Baptiste Collette Bayou to Mississippi River Gulf Outlet (Breton Sound) channel as a federal project. This would create a permanently marked channel for the barge traffic which regularly use this route.

In 1993, the Coast Guard and Corps, recognizing the importance of this waterway, marked the channel on a temporary basis. However, the temporary navigation aids cannot be

maintained and may be removed unless the channel is designated a federal project. The importance of maintaining this route cannot be overstated. The Industrial Canal Locks, which are serviced by the Baptiste Collette channel, handle 30,000 barges and 22 million tons of commodities a year.

The budgetary impact of this project would be minimal. The navigation channel has a 14 foot depth and does not require maintenance. The estimated cost to mark the channel on a permanent basis is $80,000.00, including $4,000.00 for surveys and $76,000.00 for U.S. Coast Guard aids to navigation.

I plan to submit language to the Subcommittee requesting this as a federal project and respectfully request the Subcommittee's assistance on this matter.

HURRICANE PROTECTION-WEST BANK OF THE MISSISSIPPI RIVER EAST OF THE HARVEY CANAL

Mr. Chairman, as you know, the district I represent is prone to flooding. In 1987, the Corps initiated investigations into providing flood protection for the westbank of the Mississippi River, East of the Harvey Canal. The draft feasibility report covering this project has recently been released and shows a positive cost to benefit ratio. The Army Corps Division Engineers Notice regarding this project is expected by September 1.

This area has a relatively low level of hurricane protection and the surge of water produced by a severe hurricane could result in a major loss of life and property. This project would tie into a current hurricane protection levee project authorized by Congress in November of 1986.

Mr. Chairman, I hereby request that this project be given authorization in order to provide residents of this area protection from flooding and storm surges.

ATCHAFALAYA RIVER FLOODPROOFING

Mr. Chairman, this request is of a critical nature for the cities of Morgan City and Berwick located along the Atchafalaya River in Louisiana. This year, that area experienced one of the highest levels of flooding in years. In fact, flooding has become an annual problem for some 40 businesses along the riverfront.

As you probably know, 30% of the Lower Mississippi River is diverted down the Atchafalaya River at the Old River Control Structure. The Atchafalaya is a wide, meandering river that over the years has seen construction control measures by the Corps. In 1988, the Corps of Engineers placed a weir at the Wax Lake Outlet in order to force the river

towards the Morgan City and Berwick areas in order to provide enough water during low river.

According to independent studies, this weir has been one of the reasons for the flooding during high river times. Fortunately, the Corps agreed to having a substantial portion of the weir removed. However, the flooding has also been due to siltation and the overall control of the flow of the river by the Corps, which will still cause flooding next spring.

Therefore, I am asking for the Corps of Engineers to be authorized to construct floodproofing measures along the riverfront of Morgan City and Berwick. The Corps has already begun working with the businesses and local governments of the affected areas. This would be the most cost effective method, since dredging of the river would cost hundreds of millions of dollars and would then have to be maintained. This project is estimated to cost approximately $10 million. Mr. Chairman, I believe the Louisiana delegation and the Corps have reviewed all other solutions and find this to be the most practical.

EXPANSION OF THE MISSISSIPPI RIVER COMMISSION

Finally, I would like to request that a Committee resolution be enacted expanding the Mississippi River Commission to include all of the area between the eastern side of the Bayou Lafourche Ridge from Donaldsonville to the Gulf of Mexico and the west guide levee of the Mississippi River from Donaldsonville to the Gulf of Mexico.

The Mississippi River and Tributaries Project is essential to the interest of the citizens who live in the Lower Mississippi River drainage basins in south Louisiana. The above mentioned area was inadvertently excluded in past legislation concerning the Commisssion, however, the area is greatly affected by the floodwaters of the Mississippi River.

Mr. Chairman, I thank you for your attention today in presenting these concerns to the Subcommittee. I look forward to working with you and your staff on the timely completion of these projects.

JOLENE UNSOELD
3D DISTRICT WASHINGTON

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House of Representatives
Washington, DC 20515-4703

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Statement of Representative Jolene Unsoeld
before the Subcommittee on Water Resources and Environment
on Finalizing the Relocation of North Bonneville, WA

July 19, 1994

Thank, you, Mr. Chairman, for the opportunity to describe a long-standing problem involving the small town of North Bonneville, located in the state of Washington, and the U.S. Army Corps of Engineers. It has been a problem that has for so long defied a solution -- until now.

The story began some twenty years ago when the town of North Bonneville on the Washington side of the Columbia River was condemned to make room for the second powerhouse at Bonneville Dam. As part of this process, Congress, in section 83 of Public Law 93-251, required the Corps to relocate the town.

Although a detailed relocation agreement between the Corps and the Town was executed in 1975, the relocation effort became mired in contentious litigation and is still not complete.

The trouble started when the Town, having lost its revenue base during the relocation period, subjected Corps contractors to a business and occupation (B&O) tax which was challenged by the Corps and the Justice Department. Although the Town prevailed in court on this issue, additional litigation led to an increasingly hostile relationship between the parties and the collapse of cooperation.

The Town refused to accept "unfinished and defective" municipal improvements, including water, sewer, and storm drain systems, for the "Initial Town." Some "Optimum Town Lands" identified in the agreement as necessary for the Town's growth and economic viability have since been dedicated to wildlife mitigation by the Corps or contaminated with construction wastes. For example, Hamilton Island, which includes much of the Optimum Town lands, was placed on the Superfund National Priority List in October, 1992.

In addition, claims and counterclaims resulted in a judgment against the Town in the amount of $365,181 for operation and maintenance of Town utilities by the Corps. The Town filed for bankruptcy in 1991.

With half a dozen law suits pending and the promise of another 20 years of bitter litigation without a just resolution, I could not remain uninvolved -- although I received plenty of warnings to do so.

Last Congress -- with the help of this committee -- we devised a legislative solution that I thought was a fair and balanced framework for completing the North Bonneville relocation. In essence, section 9147 of Public Law 102-396 called for the timely transfer of Town lands and canceled the Town's debt to the Corps in exchange for the Town dropping its claims against the Corps.

More specifically, section 9147 required the Corps to:

1. complete the relocation by conveying to the city: (a) lands and facilities identified in the plats of the "relocated" town, as required by the relocation Act (at no cost to the city), and (b) lands identified in the plats as "optimum" town lands -- parcels 2, B, C, and H (at a cost to the city of $597,804);

2. forgive O&M debt owed to the Corps for facilities (about $365k); and

3. clean up its hazardous waste site on Hamilton Island (one of the "optimum" town lands).

In return, the town was required to:

(1) relinquish its right to sue the Corps under the Relocation Act/Agreement for failure to perform; and

(2) agree to accept lands and facilities identified in plats of "original" town in "as is" condition and pay for "optimum" town lands

Regrettably, the Justice Department and the Corps refused to settle the North Bonneville controversy in this manner, primarily because of concerns over the government's long-term liability associated with transferring Parcel B (Hamilton Island) which was listed in October 1992 as a superfund site by EPA. With additional litigation appearing inevitable, I initiated a settlement process -- involving the Town, the Corps, and the Justice Department -- hoping to resolve this matter once and for all.

As I stated at the outset, I can report today that we have a solution with which all sides can live. It will require a legislative fix to section 9147 of Public Law 102-396 and I'd like to submit for the record the language we have developed.

The principal change from section 9147 is that Parcel B would be used to meet part of the Corps' wildlife mitigation requirements (after clean up to "open space" standards). In exchange, the remaining "optimum" town lands would be conveyed to the town at no cost.

For the record, Mr. Chairman, I'd like to submit a resolution adopted by the Town of North Bonneville supporting this proposal. In addition, we have similar support from the Corps, and the Justice Department. What is now needed -- and what I am here to request -- is the counsel and assistance of you and your staff to help bring this matter to an equitable and long-overdue conclusion.

PETER J. VISCLOSKY
1ST DISTRICT, INDIANA

COMMITTEE ON APPROPRIATIONS
CONGRESSIONAL STEEL CAUCUS
EXECUTIVE COMMITTEE CHAIRMAN
NORTHEAST-MIDWEST
CONGRESSIONAL COALITION
MIDWEST VICE-CHAIR

WHIP-AT-LARGE

Congress of the United States
House of Representatives
Washington, DC 20515-1401

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Testimony of
Congressman Pete Visclosky

Regarding the Water Resources
and Development Act of 1994

Before the House Committee on Public Works and Transportation
Subcommittee on Water Resources and Environment

July 19, 1994

MR. CHAIRMAN, I want to thank you and the other members of the Subcommittee for allowing me to bring to your attention the need for several Army Corps of Engineers projects that are extremely important to the people of the First Congressional District of Indiana.

Located along the shores of Lake Michigan, Indiana's Lake and Porter Counties are two of the fastest growing counties in Indiana. Development has caused increased flood damage and risk, as well as other environmental degradation. It is my hope that with each Army Corps project we are able to authorize, we will be one step closer to achieving long-term solutions for a region that has been afflicted by chronic flooding and water quality problems.

The first matter I want to highlight for the subcommittee is the need to expand upon an ongoing Army Corps project by developing a watershed management plan for the Deep River Basin, which is comprised of the 282-acre Lake George, Turkey Creek and Deep River in the vicinities of Hobart, Lake Station, and Merrillville, Indiana.

The Army Corps is currently facilitating the sediment cleanup of Lake George, a project which includes elements of flood control, environmental enhancement and recreational development. The Lake George project was first authorized in the Water Resources Development Act of 1986, and has received federal funding since 1990.

However, a detailed, comprehensive investigation of the watershed, beyond the scope of the existing Lake George study authority is necessary for the successful completion of the Lake George project. An evaluation of how to sufficiently address the current problems of sediment quality and quantity, flood control and the proper management of endangered wetlands is essential to institute effective land management techniques and proper placement of sediment traps.

Expanding the Lake George project to include a comprehensive approach to watershed management for the Deep River Basin would save taxpayer dollars and alleviate the need for a costly re-dredging of Lake George. The Army Corps estimates that $400,000 would be needed to successfully complete a study of the Deep River Basin.

Second, I am requesting a $3,735,000 authorization for a project to combat the erosion and degradation of the Beauty Creek Watershed in Valparaiso and unincorporated Porter County, Indiana.

The Beauty Creek watershed is located in a rapidly growing area of Porter County. Runoff from local development has aggravated the degradation of Beauty Creek and its tributaries, which have long suffered from the erosion of the sandy shores that are characteristic along the watershed. This erosion has undermined sections of ravines along Beauty Creek and its tributaries, causing banks to collapse into the creek bed and posing a threat to several adjacent lots and homes.

Large quantities of sediment have collected in the flatter reaches of the system. Sediment has also degraded fish spawning beds downstream in Salt Creek. This sediment obstructs drainage channels and structures requiring costly regular maintenance.

The City of Valparaiso will spend approximately $500,000 this year alone to reconstruct a badly-eroded section of the watershed. Authorization of a comprehensive plan to address the problems of the watershed would alleviate future expenses. I, therefore, am requesting an authorization for $3,735,000, the estimated cost of the total project.

Third, I would like to address the devastating flooding problems faced by the Black Oak neighborhood in Gary, Indiana. Black Oak encompasses approximately 9 square miles and has a population of 9,000. This low-income, predominantly minority, area has had to bear more than its share of environmental and economic injustice over the years.

The lack of both sanitary and storm sewers, an inherently high water table, and a primitive drainage system comprised of a few ditches that empty into the Little Calumet River, have contributed to chronic and significant backup of stormwater in yards, driveways and residential ditches. In addition, the water levels have rendered most of the septic tanks in the area inoperable. Add to this a history of contamination from an adjacent Superfund site, and you have living conditions that are by any measure substandard.

Unfortunately, this dire situation only stands to be aggravated by an ongoing Army Corps of Engineers project. The Little Calumet River Project involves the construction of dikes on either side of the Little Calumet River, which bisects Black Oak. The Gary Sanitary District has extensively studied this situation, and it has concluded that the Little Calumet project will have an adverse effect on the Black Oak community by blocking natural drainage into the river, adding to the water table and creating large new areas prone to flooding.

I am requesting authorization for the Army Corps of Engineers to conduct an investigation of how the water problems of Black Oak would best be remedied, especially in light of the negative effects of the Little Calumet River project. It is estimated that $15 million would be required to completely address Black Oak's needs.

Fourth, I would like to bring to your attention a proposal to enhance the Army Corp's work on the ongoing Indiana Harbor Canal project. Signs posted around the canal declaring the water unsafe are ominous reminders of the serious environmental problems facing East Chicago, Indiana. Several residential areas and numerous industrial sites exist along the waterway. Industry and polluted run-off have historically been the primary sources of contaminants that enter the canal, travel northward into the Indiana Harbor, and settle in the turning basin. There, the water velocity slows, causing the sediment to collect on the riverbed. After extensive evaluation of this situation, the City of East Chicago has concluded that the Indiana Harbor Canal project, which includes dredging and sediment cleanup, could be further enhanced by developing a native grass buffer along the waterway. It is their determination that the grasses would provide a natural cleansing agent and enhance the surrounding environment.

In addition, the landscape could potentially be modified with berms and settling basins to complement water quality improvements and create a landscape that could be accessed by the public via a bikeway system. The proposed bikeway system would also provide an alternative transportation mode within the city. $15,419,000 is the estimated cost of bringing this project to fruition, the elements of which would include easement acquisition, shoreline stabilization, a vegetation buffer and a bikeway.

Finally, I would like to address two related areas of concern regarding the Army Corps of Engineers Chicago District. Specifically, I am worried about inadequate staffing levels and the Army Corps' adherence to Davis-Bacon standards.

Although all federal agencies, including the Army Corps, are being asked to streamline their operations in this era of reduced discretionary spending, the Chicago District has taken more than its fair share of the cuts. As a result, various authorized and appropriated Corps projects in the Chicago District, including Northwest Indiana, are falling behind schedule due to the fact that the Chicago District is seriously understaffed.

In May, I joined 11 of my colleagues from the Chicago area in sending a letter to the Appropriations Subcommittee on Energy and Water Development requesting that full-time equivalent (FTE) positions be reallocated among Corps districts based on existing and projected workload and reasonable architect-engineering contracting/brokering requirements throughout the Corps.

It has also been brought to my attention that the Army Corps is failing to effectively monitor its civilian contractors in the Great Lakes region. Specifically, the U.S. Department of Labor has investigated numerous civilian contractors on the Great Lakes and has found violations of Davis-Bacon standards. In May, I was joined by Reps. Obey, Sabo, Kaptur in writing to the Army Corps to express our strong support for more effective monitoring of dredging and marine construction projects within the Great Lakes region.

Any refusal of civilian contractors under the jurisdiction of the Army Corps of Engineers to apply Davis-Bacon labor standards to the operation of qualified federal contracts should <u>not</u> be tolerated. I would therefore request that the Committee direct the Army Corps to make greater efforts to properly monitor Davis-Bacon compliance by civilian contractors on the Great Lakes.

In closing, I recognize the tight budget limitations within which we must all operate and look forward to working with you and the subcommittee. I would like to thank you in advance for your serious consideration of these matters. I would be happy to answer any questions you might have.

REP. PETER J. VISCLOSKY
FIRST DISTRICT INDIANA

Black Oak Stormwater Relief:

REQUESTED AUTHORIZATION LEVEL: $15,000,000
($700,000 for study)
LOCATION: The Black Oak neighborhood, Gary, Indiana.

Over the years, the community of Black Oak, located in Gary, Indiana, has had to bear more than its share of environmental and economic hardships. Growth in this low-income, predominantly minority area has been stagnant for several decades due to the lack of both sanitary and storm sewers. An inherently high water table and a primitive drainage system comprised of a few ditches that empty into the Little Calumet River have caused a significant backup of stormwater in yards, driveways and residential ditches. In addition, the water levels have rendered most of the septic tanks in the area inoperable.

The residents of Black Oak have had the additional hardship of water contamination. The solid wastes that accumulated in the Lake Sandy Jo landfill, now a National Priority List Superfund site, at one time seeped into the surrounding environs -- contaminating nearby groundwater and threatening the health of nearby residents. The Environmental Protection Agency (EPA) determined that it was necessary to bring in a safe water supply by extending water mains to this neighborhood. This decision was made in 1986, and although the main water line was recently constructed, the 40-45 affected residences have still not been connected to the water system, nor has the system been transferred to the local utility.

Unfortunately, this situation only stands to be aggravated by an ongoing Army Corps project. The Little Calumet River Project involves the construction of dikes on either side of the Little Calumet River, which bisects Black Oak. the Gary Sanitary District has extensively studies this situation, and it has concluded that the Little Calumet project will have an adverse effect on the Black Oak community by blocking natural drainage into the river, adding to the water table and creating large new areas prone to flooding.

Rep. Visclosky is requesting authorization for the Army corps of Engineers to conduct an investigation of how the water problems of Black Oak would best be remedied, especially in light of the negative effete of the Little Calumet River project. It is estimated that $15 million would be required to completely address Black Oak's needs; $700,000 of which would be required to complete a study.

Attachment(s):
1. Local endorsement

CITY OF GARY
THOMAS V. BARNES, Mayor

OFFICE OF THE MAYOR
401 BROADWAY
GARY, INDIANA 46402
(219) 881-1301
FAX: (219) 886-0554

May 2, 1994

MAY 06 1994

Honorable Peter J. Visclosky
1st District Representative
U.S. House of Representatives
ATTN: Ms. Sunita Singh, Projects Coordinator
215 West 35th Avenue
Gary, IN 46408

RE: Water Resources Development Act Demonstration Grants

Dear Ms. Singh:

Your April 5, 1994 letter that I received regarding the above, has been referred to the Gary Sanitary District. Upon review, we believe that the District would qualify under the subject of Flood Control. Currently the U.S. Army Corps of Engineers (COE) is engaged in a Flood Control Project along the Little Calumet River in Gary, Indiana. In conjunction, the City of Gary has The Burr Street Improvement Project including storm and sanitary drainage program along this corridor.

The COE project is installing a levee along the Little Calumet River that bisects the 6.5 square mile Black Oak area and is creating a problem in Black Oak that already had a high water table. Black Oak does not have a working storm water drainage system and relied upon a few ditches that emptied into the River. The installation of the dikes prevents this natural discharge adding to the already high water table and creating large areas of flooding in the community.

We believe that through the use of a Demonstration Grant, store water interceptor and lateral sewers could be installed to drain the area to the proposed Storm Water Pumping Station that is being installed by the COE on Burr Street on the north side of the river.

The growth of the Black Oak Area has been stagnant for several decades due to the lack of both sanitary and storm sewers. Recently, with the proposals and the realization of the Sanitary Sewer Installation Project, there has been a visible increase in the business community. The installation of the Storm Sewer project would put the finishing touch to the District's Sanitary Sewer Project currently being installed at a cost of $18.0 Million, thereby making Black Oak a viable community.

The estimated cost for the proposed Storm Sewer System is $15.0 Million which the District is not currently able to fund without assistance. The potential grant could provide 75% of this estimated cost thereby permitting the final stage of the Storm and Sanitary Drainage System in Black Oak in this century.

Let me know if further assistance is needed. Thanks for your support.

Sincerely,

Thomas V. Barnes, Mayor
City of Gary

TVB/enh

cc: Board of Sanitary Commissioners
Washington C. Alston, Director of Sanitary District

1241B/25

GSD
Gary Sanitary District
P.O Box 388 • Gary, Indiana 46402

MAYOR CITY OF GARY
THOMAS V BARNES

BOARD OF COMMISSIONERS
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CORA M VAUGHN - ATTORNEY

Administration and Plant, 3600 West 3rd Avenue, Gary, Indiana
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Sewer Division 944-1211
Fax 219/944-0722

Finance Office: 840 Broadway, Gary, Indiana 46402
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Customer Service 883-1027
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July 15, 1994

Hon. Peter J. Visclosky
U.S. House or Representatives
2664 Rayburn Office Building
Washington, D.C. 20515

Attention: Ms. Katie Otto

RE: Entitlement Grant Funding
Black Oak Area - Gary, Indiana
Storm Water Management Plan

Dear Ms. Otto:

Confirming our telephone conversation, indicated below is a brief description of the storm water situation in Gary's Black Oak Area.

Black Oak is located within the City of Gary and is bounded on the north by 21st Avenue, on the west by Cline Avenue, on the south by Ridge Road and on the east by Grant Street, an area of approximately 9 square miles with a population of 9,000 according the latest census. This area is bisected by the Little Calumet River.

The Corps of Engineers is currently working on a flood control project, the Little Calumet River Development Project wherein they are constructing dikes on either side of the river to contain it within its boundaries. The Black Oak area is in a naturally very high water table, with many areas having water one foot of the surface.

It is our engineer's opinion that the COE project will have an adverse effect on the ground water level during the wet season, especially since there is no storm water drainage system in this area. The high water table has also rendered most of the septic tanks in the area to be inoperable. In addition, the new levies will not permit natural storm water drainage to the river, thereby resulting in the surface retention of the storm water, adding to the already existing storm water drainage problems of the area. The situation is clearly visible during a rainstorm, when one can see the water standing on lawns, driveways, and ditches in front of homes, with nowhere to drain for days, and if that particular area is still on the septic system, may see fecal residue. The fact that sanitary sewers are now being constructed in some areas will alleviate some of the pollution where the septic tanks will be eliminated.

Cont...

GSD

Gary Sanitary District

Hon. Peter J. Visclosky
U.S. House of Representatives
July 15, 1994
Page 2

A storm water management system is necessary to resolve the situation in this area. Your assistance toward this accomplishment will be appreciated.

Very truly yours,

Washington C. Alston

Washington C. Alston
Director

WCA:ca

cc: Mayor Thomas V. Barnes
Board of Sanitary Commissioners
Aravind Muzumdar, P.E., Northwest Engineers
Lincoln Donaldson, P.E., District Engineer
Cass Villacin, P.E., Sewer Superintendent
Arlene Colvin, Chief Operations Officer, City of Gary

REP. PETER J. VISCLOSKY
FIRST DISTRICT INDIANA

Indiana Harbor Canal Native Grass Buffer:

REQUESTED AUTHORIZATION LEVEL: $15,419,000
($1,500,000 for study)

LOCATION: East Chicago, Indiana.

The Indiana Harbor Canal is programmed for cleanup by the Army Corps. Signs posted around the canal declaring the water unsafe are ominous reminders of the serious environmental problems facing East Chicago, Indiana. Several residential areas and numerous industrial sites exist along the waterway. Industry and polluted run-off have historically been the primary sources of contaminants that enter the canal, travel northward into the Indiana Harbor, and settle in the turning basin. There, the water velocity slows, causing the sediment to collect on the riverbed. After extensive evaluation of this situation, the City of East Chicago has concluded that the Indiana Harbor Canal project, which includes dredging and sediment cleanup, could be further enhanced by developing a native grass buffer along the waterway. It is their determination that the grasses would provide a natural cleansing agent and enhance the surrounding environment.

In addition, the landscape could potentially be modified with berms and settling basins to complement water quality improvements and create a landscape that could be accessed by the public via a bikeway system. The proposed bikeway system would also provide an alternative transportation mode within the city.

The Project would consist of the following:

1. Easement Acquisition
2. Shoreline Stabilization
3. Vegetation Buffer
4. Bikeway

Attachment(s)
1. Local endorsement and project proposal.

THE EAST CHICAGO SANITARY DISTRICT

5201 indianapolis boulevard
east chicago, indiana 46312
telephone 219-391-8466

Honorable Robert A. Pastrick, mayor

MAY 25 1994

May 20, 1994

Ms. Sunita Singh
Project Coordinator
Office of Congressman Visclosky
215 West 35th Avenue
Gary, Indiana 46408

Dear Ms. Singh:

Congressman Visclosky has suggested that if the City of East Chicago is interested in pursuing a demonstration project funding request through the reauthorization of the Water Resources Development Act, that a proposal be submitted to you.

We are extremely appreciative of the fact that the Congressman had us in mind for funding of potential projects and we are eager to participate in potential projects that would benefit our community and Northwest Indiana. A potential project description is attached and will support the Congressman's vision of a cleaner Northwest Indiana.

If you have any questions about the project or need additional information, please give me a call at (219)391-8466. If you can't get in touch with me, please call Russ Taylor, the City Planner at (219)391-8205.

Thank you for your continued support.

Very truly yours,

Donald C. Lang

Donald C. Lang
Director of Utilities

DCL/rs

Enclosure

cc: Hon. Robert A. Pastrick
Mr. John Artis
Mr. Russ Taylor
Mr. Rich Sobilo

EAST CHICAGO WATER RESOURCES DEVELOPMENT ACT
Proposed Program Outline

East Chicago has been considering the potential Water Resources Act pilot program for application in the community. One potential project has merit, and that project can be divided into three segments for funding consideration. The projects aligns with the Corps of Engineers' charge to implement and reclaim wetland areas throughout this Country. The project also aligns with improving the quality of life for the citizens of East Chicago and Lake County.

WATER RESOURCES DEVELOPMENT PILOT PROGRAM

East Chicago lies within a major industrial area of the nation. Development over the years has impacted the region's water quality. The Federal Government has appropriated large funds to dredge the Indiana Harbor in the community so as to remove polluted sediment and to improve navigational waterways that serve major steel producing industries that maintain local economies. The aspects of this pilot program deals with the need to provide a long-term, comprehensive benefit of the approved funding program to diminish the reoccurrence of the need to dredge in the future. This pilot program advocates the use of native grasses and other vegetation to improve water quality in areas that are heavily industrialized and to improve the quality of life by supplementing the landscape features with recreational amenities.

Part 1 - The Lake Michigan Shore

The concept of a "Lake Shore Drive" has long been thought of in the region. This is the impetus for considering a native-grass shoreline buffer along the lake. Grasslands would provide a storm water run-off filtration system that would naturally cleanse the water exiting the industrialized land to flow into a regional water supply. Research figure have noted that pollutants are located on the floor of the lake. Filtering the run-off would remove the pollutants before entering the water resource. Recognizing the scale of the Great Lake's system, this buffer is insignificant, however, considering the percentage of industrialized land contiguous to the Lake, this pilot program could potentially be monitored to determine a national-concept for implementation.

With the natural buffer, "people" amenities of bikeways and roadways can be provided to facilitate a dynamic exposure to the program. Land leases or acquisition is necessary, and turning the shoreline over to the public, would demonstrate a potential public-private partnership between government and industry.

Part 2 - Indiana Harbor Canal

This waterway is programmed for cleanup by the Corps of Engineers. It is also a predominant element of the local landscape. One aspect of this image, is the signs posted regarding "Unsafe Water". Developing a native grass buffer along this waterway could have significant benefit. The grasses again would provide a natural cleansing agent. The landscape could potentially be "sculpted" with berms and settling basins to complement water quality improvements, and to create a more interesting landscape that could be accessed by the public via a bikeway system. A Bikeway system would also provide an alternative transportation mode within the City. Several residential areas are located near the canal and would benefit from the improvements. Numerous industrial sites also exist along the waterway. These are the primary source of "dirty" run-off water that enters the canal, travels northward into the Indiana Harbor, and settles in the turning basin where the water velocity lowers to permit the sediment to fall tho the floor.

EAST CHICAGO WATER RESOURCES DEVELOPMENT ACT
Proposed Program Outline
Page 2

This portion of the program would benefit more local residents. The water's could also be more easily monitored regarding improved quality. The pending work to dredge the Harbor would also reap long-term benefits for sediment removal as well.

Access along the west shore is isolated from local industrial development by a railroad right-of-way. This land-use buffer, would isolate the use of the corridor by residents and "protect" industry from public "encroachment". These aspects of isolation, community access, and easier monitoring make this segment of the program a logical selection as a pilot.

Part 3 - Nature Education Center

The headwaters of the Indiana Harbor Canal is the Grand Calumet River. Land along this river is low and subject to flooding. Additionally, an old "dump" exists which has no social value in it current state. Access to the landfill site exists via a service road to a City Pump Station.

This water is also posted as "Unsafe" and the waterway is easily recognized by large volumes of passing vehicles traveling the Indiana Tollway. This project addresses improving the wetland vegetation quality, reclaiming the dump site as a nature park, and developing a Nature Center to provide educational facilities and a potential "convention" environment for local education institutions and businesses. Only the imagination limits how productive such a facility could be to local residents and for improved regional image. For the initial phase, we envision:

Nature Center Building (5,000 sq. ft.) plus the following site improvements:
- Agricultural Area (20,000 sq. ft.) with a variety of crops;
- Wetland Development Monitoring Station (5,000 sq. ft.);
- Amphitheater (5,000 sq. ft.);
- Reforestation area (20,000 sq. ft.);
- Sod Farm (40,000 sq. ft.);
- Recycling Experimental Station (20,000 sq. ft.);
- Composing Station (20,000 sq. ft.); and
- Parking for 100 cars.

Comprehensive Package

Ideally, addressing all three segments will best improve the water quality. Limited funding will limit the scope of work. We have addressed the benefits of this program and we are able to provide additional documentation to address national issues that could be addressed by implementing the overall program. In lieu of that documentation, however, we are providing an estimate of costs for consideration. Should the Congressman desire further documentation, we will provide same.

Funding Cost Estimate

We have developed a cost estimate. Details are provided as an attachment. A summary of the costs are as follows:

EAST CHICAGO WATER RESOURCES DEVELOPMENT ACT
Proposed Program Outline
Page 3

Part 1 - Lake Michigan Shoreline Buffer and Lake Shore Drive ***$2,141,500***
Including: Easement Acquisition, Shoreline protection, Vegetation Buffer, Roadway, and Bikeway.

Part 2 - Indiana Harbor Canal Bikeway and Buffer ***$15,419,000***
Including: Easement Acquisition, Shoreline Stabilization, Vegetation Buffer, and Bikeway.

Part 3 - Grand Calumet River Nature Center ***$4,749,500***
Including: Reclaim Landfill, Wetland Mitigation, Nature/Conference Center, Pedestrian Bridges, and Bikeway.

A map illustrating the location of the proposed projects is attached. Additional material can be provided upon request.

REP. PETER J. VISCLOSKY
FIRST DISTRICT INDIANA

Lake George Project Expansion:

REQUESTED AUTHORIZATION LEVEL: $400,000.

LOCATION: **The Deep River Basin is comprised of the 282-acre Lake George, Turkey Creek and Deep River in the vicinities of Hobart, Lake Station, and Merrillville, Indiana.**

The Army Corps of Engineers Lake George project was first authorized in the Water Resources Development Act of 1986, P.L. 99-662, and has received federal funding since 1990. This project includes flood control, environmental enhancement, and recreational development.

A detailed, comprehensive investigation of the watershed, beyond the scope of the existing Lake George study authority, is necessary for the successful completion of the Lake George project. Towards this end, Rep. Visclosky has introduced legislation, H.R. 2054, designed to facilitate the evaluation of how to sufficiently control the current and long-term sediment quality and quantity, address chronic flooding problems and the safety of Lake George Dam, and ensure the proper management of endangered wetlands.

In addition, a comprehensive watershed management plan is essential to determine the placement of sediment traps for the authorized Lake George project. Taxpayer dollars would be saved by instituting effective land use management techniques and trapping sediments before they reach Lake George. It is possible that sediment flow could be relieved in the unauthorized tributaries. In sum, future costs could be drastically reduced by developing and implementing a comprehensive management plan, which would result in less costly sediment traps and much needed flood relief for the communities of Hobart and Lake Station, Indiana. Additionally, the development of a comprehensive plan could alleviate the need for a costly re-dredging of Lake George in the future

Attachment(s)
1. H.R. 2054
2. Local endorsement
3. Army Corps summary

Robert Malizzo
Mayor

Telephone
(219) 942-6112

"The Friendly City"

The City of Hobart

414 Main Street Hobart, Indiana 46342

April 20, 1994

The Honorable Peter J. Visclosky
Congressman
215 West 35th Avenue
Gary, Indiana 46408

Dear Congressman Visclosky:

In response to your April 5th request for potential U.S. Army Corps eligible projects, the City of Hobart is most interested in continuing to pursue the various projects and studies related to Lake George and its tributaries. Expanded watershed analysis and the development of a watershed management plan for the Deep River and Turkey Creek areas that feed into Lake George is critical to achieve the required sediment control for Lake George, allow for proper wetland management, and provide adequate flood control for the entire basin.

Your anticipated assistance in achieving the reauthorization of the Water Resources Development Act in order to fund this $400,000 project is greatly appreciated. Thank you.

Very truly yours,

Robert Malizzo

Robert Malizzo
Mayor

cc: Ms. Sunita Singh, Projects Coordinator

REP. PETER J. VISCLOSKY
FIRST DISTRICT INDIANA

Beauty Creek Watershed:

REQUESTED AUTHORIZATION LEVEL: $3,735,000
($110,000 for study and planning)

LOCATION: Valparaiso and Porter County, Indiana.

The Beauty Creek watershed is located in a rapidly growing area of Porter County, Indiana. Runoff from local development has aggravated the degradation of Beauty Creek and its tributaries, which have long suffered from the erosion of the sandy shores along the watershed. This erosion has undermined sections of the ravines along Beauty Creek and its tributaries, causing banks to collapse into the creek bed and posing a threat to several adjacent lots and homes.

Large quantities of sediment have collected in the flatter reaches of the system. Sediment has also covered fish spawning beds downstream in Salt Creek. This sediment obstructs drainage channels and structures, requiring costly regular maintenance. The damage to Salt Creek has resulted in public outcry by both sporting and environmentally oriented individuals and organizations.

The City of Valparaiso, the Porter County Planning Commission, the Army Corps of Engineers, and the Indiana Department of Natural Resources have all been involved in efforts to address some of these problems. In addition, private landowners, sportsmen, and environmental groups have been involved in attempts to remedy the situation. Authorization for this project is necessary to forge a cohesive network between the numerous parties concerned with correcting elements of an area-wide problem. The proposed project should entail four phases: study, plan, design and construction of detention basins. In addition, the planning portion of the project would be used as a model for other developing watersheds.

The City of Valparaiso will spend approximately $500,000 this year to reconstruct a badly eroded section of the watershed. Authorization of a comprehensive effort to address the problems of the watershed would alleviate future expenses. Rep. Visclosky has requested an authorization for this much needed project, which would cost a total of $3,735,000; $110,000 of which would be required for the study and planning stages.

EAST CHICAGO WATER RESOURCES DEVELOPMENT ACT
Proposed Program Outline
Page 3

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Including: Easement Acquisition, Shoreline protection, Vegetation Buffer, Roadway, and Bikeway.

Part 2 - Indiana Harbor Canal Bikeway and Buffer ***$15,419,000***
Including: Easement Acquisition, Shoreline Stabilization, Vegetation Buffer, and Bikeway.

Part 3 - Grand Calumet River Nature Center ***$4,749,500***
Including: Reclaim Landfill, Wetland Mitigation, Nature/Conference Center, Pedestrian Bridges, and Bikeway.

A map illustrating the location of the proposed projects is attached. Additional material can be provided upon request.

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Breakdown of costs:

Study	$	45,000
Planning		65,000
Design		125,000
Construction		3,500,000
TOTAL:		**3,375,000**

Attachment:
1. Local endorsement and project proposal

CITY of VALPARAISO INDIANA 46383

OFFICE OF
David A. Butterfield
MAYOR

166 LINCOLNWAY
VALPARAISO, INDIANA 46383
(219) 462-1161
FAX: (219) 464-4273

April 19, 1994

APR 22 1994

The Honorable Peter J. Visclosky
Member of Congress
215 West 35th. Avenue
Gary, IN 46408

Attn: Sunita Singh

Re: Proposed Project
Water Resources Development Act
Beauty Creek

Dear Congressman Visclosky:

Thank-you for making us aware of the possible funding through the Water Resources Development Act. I have a project that I think fits very nicely into the framework of the act as I understand it.

The Beauty Creek watershed is located in a rapidly growing area of our community and suffers from that growth. Unlike other watersheds in the area Beauty Creek seems to be particularly sensitive to the effects of urbanization. Several areas are already in need of immediate restoration and reconstruction. Other areas are deteriorating at an accelerated pace.

The problem is compounded for us because much of the watershed is in un-incorporated Porter County and beyond our direct control. Also the costs of some of the identified remedies are well beyond the City's ability to finance.

I'm sure you've read of the damage that has occurred to different areas of Salt Creek because of the problems along Beauty Creek. The Army Corps of Engineers and the Indiana Department of Natural Resources have been involved in attempts to address some of the problems. Private landowners, sportsmen and environmental groups have also been involved in attempts to remedy the situation.

If funds could be found to give us the ability to properly deal with the issues and a forum set up to pull the various interests together it would benefit a large segment of the district and Northwest Indiana. It seems like an ideal use of our federal dollars.

Please review the report that accompanies this letter. Call me or David Pilz, the City Engineer, if you have questions or need additional data.

Sincerely,

David A. Butterfield
Mayor

THE WATER RESOURCES DEVELOPMENT ACT OF 1994 AND ISSUES RELATED TO REAUTHORIZATION OF THE CIVIL WORKS PROGRAM OF THE U.S. ARMY CORPS OF ENGINEERS

TUESDAY, JULY 26, 1994

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT,
COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION,
Washington, DC.

The subcommittee met, pursuant to call, at 9:35 a.m., in room 2167, Rayburn House Office Building, Hon. Douglas Applegate (chairman of the subcommittee) presiding.

Mr. APPLEGATE. I think we will get the meeting started. We don't have all of the players here yet, but they will be coming in soon, and I am speaking specifically of Members who want to testify.

We continue today with hearings on issues related to the reauthorization of the Water Resources Development Act, and we are going to receive testimony from Members of Congress and the public representing various interests.

We have already received proposals from all parts of the Nation on projects to improve our navigational flood control and environmental assets. Choosing the projects to authorize in this difficult budget situation is not going to be easy. But today we will hear testimony on various projects and generic issues, such as dredge disposal, nonstructural flood control, and dam safety. And we look forward to the witnesses' testimony today.

Mr. Petri.

Mr. PETRI. Thank you very much, Mr. Chairman. On behalf of the subcommittee's Ranking Member, Sherwood Boehlert from New York, I would like to welcome to today's hearing Ms. Susan Kupferman, Director of the New York State Canal Commission. Later this morning we will receive testimony from a panel which includes our colleague, Toby Roth, one of my constituents, Marigen Carpenter of Neenah, who is here at this time, and Bruce Baker from the Wisconsin Department of Natural Resources.

We will hear about an exciting initiative to clean up contaminated sediments from 39 miles of the Fox River which is located in both my district and in Congressman Roth's district. This effort is being undertaken by the Fox River Coalition, a broad-based group with members from State, county, and membership governments, sewage treatment agencies, industry, environmental groups and other interested citizens.

The Fox River is badly contaminated with PCBs and other heavy metals. In fact, of the PCBs released into the river from 1955 to 1975—over a 20-year period—about one-third is still in the river sediment. Unfortunately, these contaminants are being transported into Green Bay and Lake Michigan.

The Coalition's mission is to study cleanup levels, evaluate remedy selections, and identify funding sources for what will be a very costly but necessary cleanup of sediment in the Fox River. The Coalition has made significant progress toward developing a full river plan and a cleanup demonstration project is scheduled for 1995, next year, but obviously there is still a lot of work to do in the future.

This public/private coalition is an innovative approach to the complex problem of contaminated sediments and could serve as a model for cleanup at other sites in the Great Lakes and around the country. While some technical assistance has already been provided by the Corps of Engineers and the Fish and Wildlife Service, the government has a unique opportunity to become a full partner in this special coalition through the sharing of technical assistance and financial resources. Other parties of the Coalition would match the Federal contribution.

Mr. Chairman, the Fox River project is an example of the cooperation that has existed for many years between industry and government in solving the pollution problems of the Fox River. I hope the rest of the country will be given an opportunity to learn and benefit from this effort and it will actually be able to back an effort that does something specific to clean up our environment.

Thank you, Mr. Chairman.

Mr. APPLEGATE. Thank you, Mr. Petri. Ms. Holmes.

Ms. NORTON. Thank you, Mr. Chairman.

I would just like to say a word about the Washington water crisis as we begin on this leg of our hearings. First, I want to thank you for your generosity in allowing the subcommittee to be diverted during the water crisis. We have now had our second hearing and, I think, are well on our way.

I do want to report that a bill has been introduced by Mr. Moran, which I have cosponsored, that would allow money to be borrowed from the Treasury to pay for the improvements needed at the Washington Aqueduct. This money, of course, would be paid back by users and would have no effect upon the budget of the Army Corps of Engineers.

Mr. Mineta, the Chairman of the full committee, has made a commitment to include a redrafted version of this bill in the Water Resources Development Act. The Senate has already considered the Safe Drinking Water Act and its bill does include language to give the Corps of Engineers the authority to borrow the money to pay for the capital improvements at the Aqueduct.

This is a matter of some national concern because all of us, I think, were victimized by boil-water scare. I am going to continue to work with the Army Corps of Engineers, with your staff, Mr. Chairman, with Mr. Mineta's staff, with Mr. Moran's staff, and with all concerned until we reach an acceptable conclusion.

I want, once again, on the record to thank you, Mr. Applegate, for all of your work and the work of the subcommittee on this important issue.

Mr. APPLEGATE. Thank you, Ms. Holmes.

Mr. Horn.

Mr. HORN. I have no opening statement. I look forward to these hearings and your able leadership.

Mr. APPLEGATE. Thank you.

Mr. Emerson.

Mr. EMERSON. Mr. Chairman, first I do have an opening statement. I want to thank you and the distinguished Ranking Republican for these hearings on a subject that is very important to many of my constituents and others who live along the Mississippi River and its tributaries, I might say, its many and important tributaries, including the Missouri River and the Ohio River.

As we all know, in light of the flooding that occurred last year in the Midwest and that is now occurring in the Southeast, Congress and the administration are taking a closer look at our flood control policies. I think it is appropriate and timely that this closer look at our policies take up the efforts of the subcommittee here so that the Corps can have the necessary authorization and direction that it needs to address a very wide range of critical issues pertaining to our inland waterway system.

With that said, I want to point out some areas where I think it is appropriate that this subcommittee and the full committee carefully consider options for addressing areas that do need to be addressed.

Mr. Chairman, flood control and navigation along our inland waterways must remain a Federal priority as we study the management of our floodplains. Now, I certainly understand the need to look at moving folks out of the floodplain, and I am all in favor of getting them to higher ground, but a policy based on taking a large portion of our fertile farmland in the Midwest out of production to create vast wetlands is not the answer.

I am afraid, however, that the Corps of Engineers, at significant prodding from the White House, has chosen to take this route to address some of the problems that we have had in Missouri and other States. Let's hope that the Corps of Engineers will continue to do what they do best, providing natural—or structural protection to citizens along the rivers and keeping our navigation open so that our goods can move out to foreign markets.

Second, I want to briefly address the ever present issue of wetlands delineation. The agriculture community and others struggling with Washington's wetlands bureaucracy did finally receive some good news in January when it was announced that the USDA's Soil Conservation Service would play a lead role in helping agricultural producers struggle through the mountain of confusing Federal wetlands regulations.

In Missouri, the SCS knows farmers best and that is where the needs of farmers can best be served. Unfortunately, four different Federal agencies still have oversight and legal authority over wetlands, the EPA, the Fish and Wildlife Service, the Corps of Engineers, and the SCS of the USDA, four Federal agencies have—which have managed to create a regulatory nightmare for any

farmer, landowner, or drainage district trying to get a straight answer on wetlands determinations and Section 404 permitting. We need to go a step further and grant the SCS as the primary authority on wetlands policy for farmers and landowners.

Legislation has been introduced that will allow the SCS to identify wetlands and develop mitigation plans on agricultural lands without farmers having to seek the opinion of four conflicting and confusing Federal agencies.

We talk about simplifying and making government work better. This is a good place to start. The average farmer out there trying to plow his field and plant a crop and produce a crop has to deal with four Federal agencies all of which have a different idea about the subject.

Mr. Chairman, there are some provisions in H.R. 4460 that set dire precedence for the future. I have introduced legislation that would repeal Section 5001 of Title V of the OBRA 93 Act which authorizes the Secretary of the Army to establish and collect fees for the use of developed recreation sites and facilities.

Here we are going to turn the taxing authority of the Federal Government over to the Corps of Engineers, the Secretary of the Army. How ludicrous. There has been a ground swell of opposition to these fees from folks to enjoy the outdoors, such as fishermen and fisherwomen and recreational boaters and swimmers.

These are public facilities that have already been paid for and now the taxpayers are being asked to dip again into his or her pockets in order to have the access to the lakes and the reservoirs into which they can fish and boat and water ski that are maintained by the Corps.

In addition, the fees aren't specifically directed to go back into the Corps' budget. They go into the general fund account of the Federal Treasury. So there is no safeguard, no guarantee that these fees collected will go back for the operation and maintenance of the facilities. Moreover, the Corps now admits that the fees won't bring in the revenue this year that was projected in OBRA 93 which was around $18 million.

Now, to make matters worse, the administration is proposing in this water resources reauthorization that we expand these fees and once again dig into the pockets of the American taxpayers. H.R. 4406 proposes to set up a regulatory program fund to further burden the users of navigable waters and wetlands.

They also want to force farmers and commercial developers to pay for the costs of commercial permit applications, environmental impact statements, and wetlands delineation. Regulations that we, the Federal Government, are imposing. We are going to tell these people now they have got to pay for the cost of our imposing them.

Mr. Chairman, this is nothing more than a tax that places an undue burden on a certain segment of society. We can only collect so much from the public and at some point we have got to say that enough is enough. I oppose these provisions in H.R. 4460 and hope that this subcommittee will take a hard look at the precedent we are setting with these numerous fees.

Now, Mr. Chairman, there are other parochial issues in which I have a strong interest that I want to work with you and others in

the leadership of this committee to address as we go through the committee process and eventually mark up a bill.

As I said in my opening statement, this bill is important to those who depend upon the rivers and the rich and alluvial soils that lie along them, but I can't support policies that support so-called environmental enhancement and ecosystem management at the expense of agriculture producers and other private property owners.

The imposition of further federally approved land use management proposals and the failure to provide an adequate system of flood protection will further diminish family farms and small businesses who depend upon our reliable inland waterway system. I hope that we can seriously consider these issues as we move forward with this legislation and, Mr. Chairman, I thank you for your indulgence in allowing me to go over my time.

Mr. APPLEGATE. Thank you, Mr. Emerson.

I would like to state at this moment that at 11 o'clock, this committee is going to recess for approximately one hour for a very historic joint meeting of Congress and then at around 12 o'clock or so, we will resume.

I am asking all of the witnesses, as well as the Members, to hold to the five-minute time limit, and I am not going to use the red light, so I will let you use your watches, but try to keep it to that and I think we can get at least through the Members. So if you would do that, I would appreciate it very much.

Ms. Molinari.

Ms. MOLINARI. Thank you, Mr. Chairman.

In the interest of time, I would like to forego my opening statement and state that I am grateful for the continuing discussions that we are having on perhaps one of the most important environmental issues affecting our future, and I look forward to hearing from our very distinguished witnesses, both our colleagues in the Senate and in the House.

Thank you.

Mr. APPLEGATE. Thank you very much, Ms. Molinari.

Mr. Gilchrest, I think was in next.

Mr. GILCHREST. Thank you, Mr. Chairman. I would like to take my time in an opening statement to give just very brief testimony to the committee dealing with some projects in our area.

Mr. APPLEGATE. Whatever is more convenient.

Mr. GILCHREST. I have a little thing up on the—if I could go down there and point. I will talk loud.

I have a few projects that are going on in our district and what I want to do is just point to the map very briefly without a great deal of detail. I want to make a comment, though, about agriculture and the ecosystem, in our area at any rate, and I know it is different in Iowa and Missouri and California, but where we live in the Chesapeake Bay region, there are two very important economic things that are going on. One is agriculture and one is fishing. In our area, if——

Mr. APPLEGATE. I think you can get closer to the mike if you want to do that. That is why the stick——

Mr. GILCHREST. Probably going to take 15 minutes now instead of 10. Too much equipment now. I really messed up. Okay, in our area, it is important to slow down erosion which helps keep the

Bay clean for farmers to use best management practices, and if they use best management practices, they hold on to the soil, they use less fertilizer, they can use less pesticides, and herbicides, thereby lowering the cost of production for their product and improving the environment at the same time. So there are alternative ways of agriculture, living well with the ecosystem and environmental regulations.

There is—what I came here to ask the committee to consider, and I would like to talk to the committee as the days and weeks go by for us to reauthorize this act, to consider several projects in Maryland. One deals with an island called Smith Island right on the border of Virginia and Maryland. Smith Island has been inhabited since 1657. It is an island just about six miles north of Tangier. Tangier has 700 people. Smith Island has 450 people. Tangier is in Virginia.

Tangier was eroding away rather quickly a few years ago when our colleague, Herb Bateman, was able to put into the authorization of this particular bill, some $5 million, over a period of time for a sea wall to be built to protect Tangier Island.

Now, Smith Island is eroding away at about 12 feet a year. In particular, there are three communities, Tylerton, Ewell, and Rhodes Point. Rhodes Point is the area that is eroding the fastest.

What I would like the committee to consider, and I have the information in the testimony, is to authorize a project similar to what was authorized in Tangier to protect Smith Island. Now, there is no economic justification. If we were to say that the cost of this project was $3 to $5 million, the fishermen and the watermen that live on this island wouldn't come up with anything near.

For example, Baltimore produces $1.3 billion out of the Port of Baltimore every year. So there is obviously justification for what I am about to talk about, maintenance dredging of that particular channel. But this is a unique area. It is a national treasure. We talk very often about saving endangered species, and if we don't do something for the island, Smith Island, then this particular way of life that has been around here for several centuries will become extinct.

So I would like the committee to consider authorizing money over a period of time to build a sea wall. There is maintenance dredging and there is a number of things that occur, and over the period of time that it takes to save Smith Island from being washed away, we would actually save money if a sea wall was built rather than continue maintenance dredging.

The State of Maryland has asked me to talk about four items now. One is the C&D Canal in this area is a shortcut for a number of large tankers carrying cargo from the Delaware Bay to Baltimore harbor. The C&D Canal is routinely dredged by the Corps of Engineers. The problem is the Corps of Engineers is running out of places to put the dredged spoil.

So the State of Maryland has asked for two additional placement sites. One is called Worton Point up here and one is called Poplar Island. Now, what the State of Maryland is asking for is the dredged spoils that normally are placed by the Corps of Engineers at 100 percent cost to the Federal Government in the C&D Canal, we would like for the Corps of Engineers, since they are running

out of room in the C&D Canal, to put the dredged spoils at Worton Point.

Two things can happen. Number one, the Corps will find the place for the spoils which they are—in four years, they will run out of places, and number two, Worton Point in Kent County, Maryland, is eroding away, so you can kill two birds with one stone.

You can find a placement site for the dredged spoils that the Corps is looking for and you can save a community at Worton Point where the dredged spoils can be located. Now, we are asking that these dredged spoils be placed there at 100 percent cost to the Federal Government because the Federal Government already finds sites at 100 percent cost to the Corps.

Now, the other area is called Poplar Island, which is just 15 miles out of the Chesapeake Bay Bridge. The spoils that would come down here will come from two areas that will be dredged, Colchester Channel and Brewerton Extension. These areas, the Corps already has a number of sites for the placement spoils, and this is very similar to what I just described. What they are looking for now is another area to find these—to find a placement site.

Now, we will kill three birds with one stone on this one. Number one, we are looking for a place to put the dredged spoils. Number two, if we use Poplar Island, we will save Poplar Island from being washed away, but number three, you can create wetlands on Poplar Island where a number of migrating birds, geese, ducks can land. Actually there is number, for all those colleagues here in Washington that want to spend the weekend on the Chesapeake Bay; they will find another place to hunt geese.

So there are four good reasons to place the area of the dredged spoils on Poplar Island. This will be a cost—and I hate to say this—but this will be about $50 million. It is going to be stretched over a 10 or 11 or 12-year period, so the first bite isn't that a bad.

Now, the two other quick things here, the C&D Canal is an important waterway into the Port of Baltimore. This is an area that is routinely dredged by the Corps of Engineers. But in this channel from the C&D Canal to the Port of Baltimore, there is a very dangerous S curve where, when ships approach 1,000 feet in length, they find it extremely difficult, not to mention hazardous and dangerous, especially to the public, and there has been a number of groundings in this turn during winter months or during bad weather.

So what we are asking is for the Corps of Engineers to straighten out the S turn so that we can continue to employ 18,000 people in Baltimore City, make it a viable harbor, fund the State with $1.3 billion, and make it more safe.

The cost of straightening out the S turn will be $128 million.

So, Mr. Chairman, I thank you for the time and I will be working with the committee on these and other items.

Thank you. Thanks for the equipment.

[Mr. Gilchrest's prepared statement follows:]

Statement of the Honorable Wayne T. Gilchrest

Subcommittee on Water Resources and Environment
Committee on Public Works and Transportation

Water Resources and Development Act of 1994

July 26, 1994

Thank you Mr. Chairman and Colleagues for providing me the opportunity to seek the Subcommittee's assistance on a serious, erosion problem on the Chesapeake Bay. The problem involves the severe erosion along the western face of Smith Island, Maryland, especially in the area of Rhodes Point.

The homes of nearly one hundred residents of Rhodes Point have sustained storm damage from the Bay's wave action, especially during high tide. The entire village, one of three on Smith Island, is in imminent danger unless a long-term solution is found to restore the protective barrier island to the west of Rhodes Point. More than 450 people live on Smith Island, which is located 12 miles offshore in the Chesapeake Bay.

Tangier Island, the only other major inhabited island in the Chesapeake, which lies less than ten miles south of Smith Island, solved its own similar problem with the construction of a 5700foot long stone rip-rap seawall along that island's western face. However, because there was inadequate economic justification, special legislation was enacted to authorize the construction of the seawall. It was included in the Water Resources Development Act of 1986, Public Law 99-662. In short, one cannot put a dollar value on these two islands. They are unique national treasures.

As you may know, in addition to their abundant natural resources, Smith and Tangier Islands sustain unique traditional island cultures of important historical significance. They have generally retained their character as traditional communities of the Chesapeake Bay watermen.

The U.S. Army Corps of Engineers conducted a study of Smith Island from December

1977 to December 1980 culminating in a report in June 1981. The report described the problems of Rhodes Point:

> Much of the shoreline of Smith island has experienced erosion due to exposure to wind generated waves and tidal currents....No action to address the rapid erosion of the barrier island west of Rhodes Point will eventually result in the loss of private property; damages to waterfront structures, the road, and sewage collection facilities; will cause increased shoaling of the Federal navigation channel; and would ultimately result in the need for a number of families to relocate.

The following appears in Frances W. Dize's book, Smith Island:

> Virginia's Tangier and Maryland's Smith Island are the last of the Chesapeake's inhabited offshore islands. Only on these two islands can be found the unique culture that sets its people apart from the rest of society. This is a lifestyle that has evolved through more than three hundred years of history. Less than a century ago, Smith Island was one of several inhabited offshore islands. The other islands (Watts, Hollands, Jones, and Fox) have all been abandoned, left to the mercy of the Bay.

On April 19, 1991, the Baltimore Sun ran an editorial entitled "Save Smith Island." It read, in part:

> Smith Island is suffering a disease affecting many other island communities: erosion. When the power of the wind and waves hits, residents of Rhodes Point look out their windows to see whitecaps where there used to be sand. And they worry about their way of life.
>
> This community, dating from 1657 (when it was chartered by Captain John Smith) is looking for help .... allowing Rhodes Point to gradually slip into the sea will cost ... in loss of a precious bit of Maryland culture.
>
> Maryland should do what it can to save Smith island. And it should act now, before a big storm takes another bite out of the island, making restoration far more difficult and more costly.

In authorizing the Tangier seawall, the Water Resources Development Act of 1986 says:

> (e) TANGIER ISLAND VIRGINIA. - Subject to section 903(a) of this Act, the Secretary is authorized and directed to design and construct an erosion control structure approximately 8,200 feet in length on the western shore of Tangier Island, Virginia, adequate to protect such island from further erosion, at a total cost of $3,200,000, with an estimated first Federal cost of $2,080,000 and an estimated first non-Federal cost of $1,120,000. Such project shall be carried out on an emergency basis, in view of the national, historic, and cultural value of the island and in order to protect the Federal investment in public facilities. Cost sharing applicable to hurricane and storm damage reduction shall apply to the project under this subsection.

Ice accumulations on the Bay during the past winter caused further serious erosion of the diminishing barrier island which provides Rhodes Point with its only protection. The problem is urgent and action is needed now. I urge the Committee to consider this problem and the possibility of enacting special legislation similar to that adopted to save Tangier island.

In addition, I would like to discuss four proposals for the Committee's consideration. Two of these relate to a challenge which is particular not only to the Chesapeake Bay region -- indeed they reflect a challenge encountered wherever channels must be dredged: the need to undertake such vital work in a manner which enhances the marine environment and improves the quality of life. The third proposal pertains to a project which was authorized in 1958; this project was partially implemented in the mid 1980's; clarification is needed to determine that the original terms of the authorization apply to the remaining work to be done. Finally, a modification is proposed to an existing authorization to allow much needed safety related improvements to a channel serving the port. These proposals are discussed below.

Increase Funding For Beneficial Use Dredge Placement Projects

Like many other states involved in the maintenance and improvement of maritime ship channels, Maryland faces a major opportunity and challenge -- balancing the need for cost effective placement of dredged materials with the need to enhance the environment. In environmentally sensitive and increasingly built-up areas such as the Chesapeake Bay, one can no longer rely exclusively on traditional methods of disposal; e.g. overboard disposal or large diked containment sites. It is becoming increasingly clear that as part of the efforts to maintain water quality, marine life, and the human environment, we must supplement traditional disposal methods with new and creative measures involving the beneficial use of dredged material.

In order to maintain the shipping channels serving the Port of Baltimore at their existing authorized depths, approximately 4 million cubic yards of material must be dredged from the Bay each year. Any new work, such as improvement or deepening of ship channels would require dredging an additional amount of material. In the past, Maryland has been able to meet its dredge disposal needs by careful use of overboard placement within the Chesapeake Bay waters and by use of the Hart Miller Island Disposal site. We intend to continue to overboard material where it can be done with no adverse impact on the marine environment. Nevertheless, this option will provide relatively little capacity. Furthermore, the capacity of the Hart Miller Island site is limited, most of the 50 million cubic yard facility has been filled. Although Maryland is in the process of developing a new containment site within the Port of Baltimore, site constraints are such that its capacity will be relatively limited. In sum, in order to meet the dredging needs of the Port, these measures must be supplemented with other options.

Bringing together all effected and concerned parties, the State of Maryland had studied a full range of placement options. As a result of these studies, four potential beneficial use projects have been identified. One, the Poplar Island Project, would restore an eroded island within the Bay to its configuration in the mid-19th century. Poplar Island is located on the east side of the Bay approximately 15 miles south of the Bay Bridge. The project consists of four cells, some 943 acres in size. The expected capacity of the site is approximately 11 million cubic yards. (It should be noted that the capacity is relatively low because material will be placed at a relatively low elevation above sea level in order to create wetlands.) This project will cost as much as $50 million, and would provide a capacity of approximately 11 million cubic yards.

A second project, the Worton Point project, would stabilize an eroding shoreline. It may cost approximately $45 million, resulting in new disposal capacity of some 8 million cubic yards. Both projects would involve creating new wetlands and wildlife habitats. Additional beneficial use projects located throughout the Bay region are also under consideration.

In general, federal policy provides that local parties pay 100% of the cost of disposal of dredged material. Yet, at the same time, it is also federal policy to improve and protect the natural environment. Beneficial use projects, for example those involving the restoration of eroding shorelines, beaches or islands or the development of tidal marsh areas, cost far more on a per cubic yard basis than do more conventional methods of disposal. If we are to successfully blend the needs of maritime commerce and environmental and community enhancement, there must be an active federal role in the funding of beneficial use projects.

Congress recognized this in Section 204 of the 1992 Water Resources Development Act. However, the funding provided therein-- $15 million nationwide -- is inadequate to fund any significant number of projects. It is therefore extremely important that the Committee consider increasing funding for beneficial use projects.

Authorize the Worton Point Beneficial Use Project

One of sites that have been identified by the various state and federal agencies involved in the selection of potential "beneficial use" disposal sites is Worton Point, located on the east side of the Chesapeake Bay in Kent County.

This site would provide an ideal demonstration project for the U.S. Army Corps of Engineers. It is located in close proximity to channels connecting the Chesapeake and Delaware Canal. The Corps of Engineers, which own and operate the Canal, has traditionally paid all costs associated with the disposal of material taken from the Canal itself. Currently, materials are placed either at upland sites developed and operated by the Corps of Engineers or are placed in open water in the Bay.

Since the present open water placement site being used for material dredged from the C & D Canal approach channels will not be operational in approximately four years, new locations providing capacity for future placement must be secured. The Worton Point shoreline enhancement is well suited for this purpose.

The Worton Point project involves a 200 acre site that will provide approximately 8 million cubic yards of placement capacity. The site provides an excellent opportunity to use dredged material beneficially by stopping erosion of Worton Point cliffs and by creating acres of tidal and freshwater wetland and upland habitat. The Worton Point site would provide approximately 8 million cubic yards of disposal capacity at a cost of approximately $44 million.

Please consider authorizing the Corps of Engineers to undertake this project at its cost, in accord with its overall responsibilities for the management and operation of the Chesapeake and Delaware Canal.

Authorization to Make Safety Related Modifications to the Tolchester Channel

The third request pertains to the need to make safety related modifications to the Tolchester Channel, part of the system of channels linking the Port of Baltimore to the C & D Canal. More specifically, the Committee should consider authorizing a project to correct the "S-Turn" in the channel, at a cost of approximately $14 million.

The Tolchester Channel currently has a significant "S-Turn." Ships using this important part of the C & D canal system must make five changes in course within three miles. Often ships are unable to complete one turn before beginning a subsequent turn, sometimes in the opposite direction. With the use of increasingly longer ships, approaching 1,000 feet in length, it has become increasingly difficult to safely navigate the channel, especially in winter months when poor weather, ice, wind, and tide conditions prevail. The Maryland Association of Pilots indicated that the modification of the Tolchester Channel S-turn should be a top priority.

The estimated total cost of the dredging work is $14 million. The federal share (75%) would be $10.5 million; the state share (25%) would be $3.5 million. Approximately 2.8 million cubic yards of material would be dredged in order to create an improved channel.

The C& D Canal is an integral component of the Port of Baltimore's channel system. The canal provides a short cut for vessels traveling between Baltimore and ports north of Baltimore. About one half of all breakbulk and container tonnage moving through the Port of Baltimore utilizes the canal.

Brewerton Extension Channel

Finally, the committee may wish to consider bill language clarifying that the terms of the 1958 authorization to improve the Brewerton Channel - eastern extension would still apply to work remaining to be done at this location.

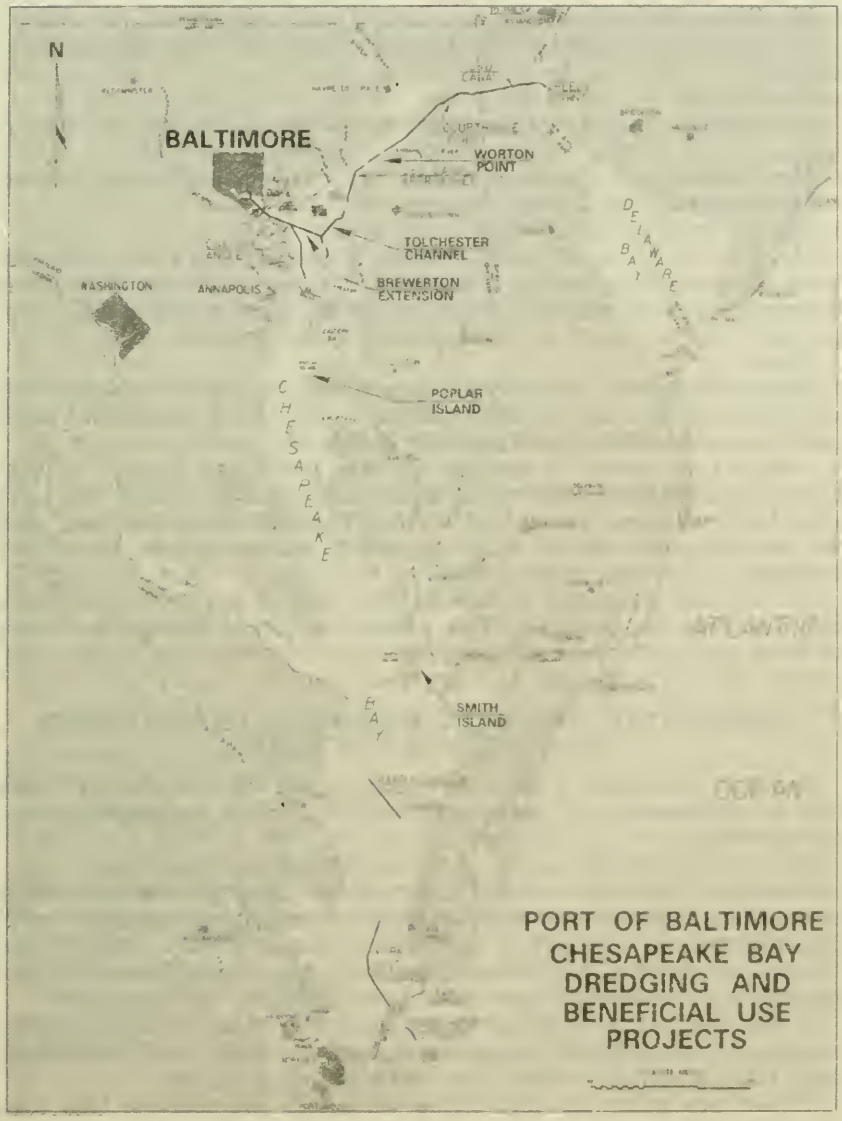
The Brewerton Extension Channel connects the channels within the Port of Baltimore to the approach channels to the C & D Canal. Created in 1946-1947, this channel was originally dredged to a 27 feet depth and a 400 feet width. In 1958, Congress authorized the improvement of the channel to 35 feet depth and 600 feet width (P.L. 85-800). Pursuant to this authorization, the Corps of Engineers is responsible for 100% of the cost of dredging.

No action was taken until the mid 1980's when it was decided to proceed with the authorized dredging. In a cooperative effort to save money, the State of Maryland and the Maryland Pilots Association agreed at the request of the Corps of Engineers to limit the width of the 35 feet depth section to 450 feet. (The remaining 150 feet width of the channel was left at its preexisting depths). The agreement to undertake a partial deepening reduced the federal government's cost by tens of thousands of dollars. This deepening proceeded using 100% federal funds.

It is now necessary to implement the deferred portion of the originally authorized deepening. Use of longer ships, combined with wind conditions and tidal currents indicates that the interim 450 feet width is no longer adequate. The Maryland's Pilots Association has recommended that we proceed with the deepening of the channel over the additional 150 feet width as authorized under PL 85-800.

The Corp of Engineers has indicated that the cost of such deepening will have to be shared -- in accord with federal legislation passed in 1986. The State of Maryland disagrees. Perhaps legislative language could resolve this issue.

Thank you for your patience in allowing me to express my concerns on these projects. I look forward to working with my Colleagues to see that consideration is given to these proposals in the Water Resources and Development Act of 1994.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CHESAPEAKE BAY
PORT OF BALTIMORE
CHESAPEAKE BAY
DREDGING AND
BENEFICIAL USE
PROJECTS

Mr. APPLEGATE. Mr. Wise, do you have anything?

Mr. WISE. No, no statement.

Mr. APPLEGATE. Mr. Zeliff. He left. Okay. We are moving right along.

Mr. Quinn.

Mr. QUINN. I yield my five minutes to Mr. Gilchrest, Mr. Chairman.

Mr. APPLEGATE. Thank you. You can have an additional project.

Mr. QUINN. Then I yield 25 minutes.

Mr. APPLEGATE. Mr. Ewing.

Mr. EWING. I would like to connect with that too. I will yield my time. Thank you, and Mr. Chairman, I do want to say this bill is extremely important to all of us in the different parts of the country and I look forward to getting on to the testimony.

Thank you.

Mr. APPLEGATE. Thank you very much, and Mr. Lipinski was very kind to give up his five minutes, or at least to defer it until later on, and I appreciate that very much too.

I think that covers us and we are very privileged to have at least three distinguished gentlemen sitting down there. And all you guys would like to come up and sit at the desk, that would be fine, and we are going to—we are very honored of course to have one of our colleagues from the other side of the building.

We are not supposed to use Senate here, so—anyway, we have Senator Pete Domenici of New Mexico and it is always an honor to have you, you have always been a friend. Welcome to the committee and we would like to hear what you have to say.

TESTIMONY OF HON. PETE DOMENICI, A UNITED STATES SENATOR FROM NEW MEXICO

Senator DOMENICI. Thank you very much, Mr. Chairman. I ask that a statement that I have prepared be made a part of the record as a preempt.

Mr. APPLEGATE. Be a part of the record without objection.

Senator DOMENICI. I will be very brief. Most people that know about New Mexico know about Albuquerque. Right next door to Albuquerque is an area that we call the South Valley. It is—it got started in about 1703, believe it or not, as a small Hispanic community. It is unincorporated and about 12,000 people live there.

If this committee is going to appropriate—going to authorize the appropriation of funds for areas that desperately need assistance, then this community called the South Valley, qualifies.

If you are going to help those who help themselves, this area qualifies. If you are going to help an area that has an emergency, then the check should already be in the mail for this one. Frankly, these 12,000 people for more than 30 years have been struggling not without avail because they now have a pretty good partnership going with the State legislature, the City of Albuquerque. But the water and sewer projects in that area, just to bring that up to community standards that we all expect as part of our daily lives, will cost in excess of $40 million, maybe $50.

The State legislature has already put up about $13 or $14 million. They have a little sales tax that yields about $1.25 million. They apply that. They desperately need about $25 million worth of

match and within the next few years, they will have adequate water and sewer for the 12,000 people that live next door to the City of Albuquerque, but are unincorporated and cannot find a way to provide communal water and sewer. They still have septic tanks.

In the United States Senate, we already passed a bill and sent it over to you. It is at the desk. It is referred to in my statement. So if one of your conditions for providing wastewater treatment to communities in need, is that something already passed the other body, a South Valley bill has already passed. It is waiting here. Obviously while this is a Public Works bill that is coming out of here, clearly the United States Senate seems to be treating this $500 million fund that awaits authorization somewhat different from the House because most of that was appropriated with authorizing language in the HUD VA appropriation bill, and I think the Chairman knows that.

How that is going to be brought to fruition between the two bodies, I don't know, but there is $12 million in that bill for this South Valley refurbishing and infrastructure that is so desperately needed.

I am before you today because clearly I don't want to let that $500 million pass without the South Valley people of Albuquerque at least getting—being able to tell the United States House how desperate things are and how much they are working together and how much local share and local resources are being put in, but only if the Federal Government helps will they have a community that has water and sewer like everybody—like most people in the United States.

I am not going to take any more of your time. I think between you all and your staff, you have a very difficult job. It is estimated that there are $10 billion worth of the kinds of needs that you have $500 million to spend on, and so I know it is tough.

I don't think New Mexico has any other requests. This is it. So I am very hopeful, Mr. Chairman, and Members of the committee, that you will see your way clear to help these people in our community, Senator Bingaman supports, Representative Richardson who is not from this district wholeheartedly supports, and they will probably talk to you about it, and I thank you for the time and, at this time, I am ready to answer questions.

Mr. APPLEGATE. Thank you very much, Senator. I appreciate that.

[Senator Domenici's prepared statement follows:]

TESTIMONY OF SENATOR PETE V. DOMENICI
BEFORE THE HOUSE WATER RESOURCES
AND ENVIRONMENT SUBCOMMITTEE

South Valley Water Problem

Reauthorization of the Water Resources Development Act

July 26, 1994

Mr. Chairman, thank you for allowing me to testify before your subcommittee. The topic is a wastewater treatment problem which I realize might best be discussed in the context of the Clean Water reauthorization. I also realize that this is a hearing on the Water Resources Development Act. But, I am here today because the people of South Valley need some federal assistance and we are exploring every avenue to find a bill that will make it to the President's desk this year.

I want to urge you to authorize funding for the South Valley of Bernalillo County, New Mexico. This area has been settled since the 1700's and includes the three historic villages of Atrisco established in 1692, Los Padillas established in 1703, and Pajarito established in 1699. The South Valley is home to 12,000 people. The vast majority are Hispanic and many are poor. More than half of the children attending the area's two main elementary schools were eligible for free lunches through the federal school lunch program, indicating household incomes under 130 percent of the poverty level.

For almost thirty years the South Valley community has suffered the health hazard of inadequate sewer and water facilities. Drinking water wells and septic tank leach fields are practically on top of each other. I am sure you can appreciate the tremendous health hazard this represents.

The septic tanks in the South Valley are contributing significantly to the Ogalalla Aquifer's depletion and pollution. This is very serious because the aquifer is the water supply for the entire Albuquerque area. The water table in the aquifer has dropped 30 feet during the last decade. These facts support the conclusion that the problem is getting worse and so is the general quality of life in the South Valley.

I am aware that it would take more than $10 billion dollars to help every community in need of a sanitary wastewater treatment system. Having served on the Senate Environment and Public Works Committee for years I appreciate the difficulty you face. If there is one thing harder than getting water out of a stone, it is getting enough money to help all of the communities with legitimate wastewater needs.

The Appropriations Committee last year made $500 million available for wastewater treatment for communities with special needs. That money is scheduled to become available this fall for projects that have been authorized.

Thus far this year, the House passed VA-HUD appropriation bill leaves available, subject to authorization, the FY94 $500 million communities with special needs account.

The Senate Appropriations Comittee made wastewater treatement a higher priority, and identified specific projects that would receive funding in both FY94 and FY95. I am pleased that they included $12 million in FY95 for the South Valley.

Taking $10 billion dollars worth of need and prioritizing the top $500 million or even top billion dollars worth of projects is a thankless job.

- If the test is: Congress should help those who help themselves, the South Valley residents should be helped.

- If the test is: first projects to get an authorization passed by either body, the South Valley should be included in your bill because S. 1685 passed the Senate in November of last year. In fact, it passed the Senate twice and authorized $25 million for the South Valley.
- If the test is taking a lemon and making lemonade, the South Valley should be at the head of the line.
- If the test is: emergency, the South Valley the check should be in the mail.

The situation is so bad there is almost a daily story in the New Mexico newspapers.

"South Valley Residents Blame Water for Girl's Illness."

"Residents Learn to Live in Sewage."

"Living in a Cesspool."

For almost thirty years this community has suffered deteriorating housing stock, and the health hazard of inadequate sewer and water facilities.

The situation is so critical that there is a moratorium on building desperately needed multifamily housing units. These are units that could greatly improve the housing stock and quality of life in the South Valley neighborhoods.

The wastewater needs of the South Valley are diverse and will require several different approaches. While these are the starkest examples, the valley's problems are diverse. Some parts of the valley are semi-urban and could be hooked up to the Albuquerque City system. Other sections of the South Valley would be best served by "community-cluster style" systems like the vacuum systems and constructed wetlands. In

the least densely populated areas of the South Valley it makes sense to continue on-site water wells and wastewater disposal systems.

Making lemonade out of a lemon. Two elementary schools and a community center in the South Valley were having to pump their septic tanks daily in order to avoid sewage rising to the ground surface. Bacteria were found in the well of one of the schools about two years ago. One of the schools, Los Padillas School, had been using bottled water to drink and to prepare school lunches. The teachers used this dire situation to get the students interested in science. All of the kids learned about the dangers of unsafe drinking water. They learned about the constructed wetlands vacuum technology to treat their waste and to provide them with clean healthy drinking water. Some of them may grow up to be members of this Public Works subcommittee or professional staffers for the committee based on their experience.

Helping those who help themselves. In these tight fiscal times, it can be said that Congress helps those who help themselves. If this is the test, South Valley should be helped. This community has been untiring in its efforts to help itself. So many times its efforts have been ignored or rejected.

Nevertheless, its leaders should be commended. They never gave up.

The leaders of South Valley and I have been meeting on a regular basis for nine and one-half years to develop an action plan to address this problem. I particularly want to mention the hard work in New Mexico at the state legislature and in local government. Speaker of the House, Ray Sanchez; Senate President Pro Tem, Manny Aragon; State Representative Kiki Saavedra; State Representative Delano Garcia;

former County Commissioner Orlando Vigil, County Commissioner Al Valdez and County manager Juan Vigil have all worked tirelessly.

Their hard work has led to successes at the local level. These include the following: In 1991, the Bernalillo County Commission adopted a one-eighth cent tax on gross receipts in and for the unincorporated area of the South Valley to finance solid waste, water and sewer. In the two years that this levy has been on the books, $1.5 million has been raised in annual revenue and $900,000 has been designated to assist residents in hooking up to water and sewer systems already in place. Some of this $900,000 has been used to upgrade substandard on-site wells or septic systems.

A partnership in the making. The City of Albuquerque, in partnership with Bernalillo County, has contributed its resources in the areas of research planning and education. The University of New Mexico (Institute of Public Law) provided a joint study for the New Mexico Legislature which led to an appropriation of funds for this project.

The New Mexico legislature appropriated $4 million in 1992; $5 million in 1993; and $8 million in 1994 demonstrating the seriousness of the problem and the state's commitment to a solution.

Users of a new system will also bear a portion of the burden for the improvements. If the City is the provider, total user fees may total almost $3,500 for hookup to both water and sewer service. These costs do not include the cost to extend lines from the house to the water meter and sewer stubout. While average incomes range from $18,000 to over $40,000 per household it would be difficult for most

homeowners to pay these substantial costs "out-of pocket" to ensure a sanitary liquid wastewater disposal system and safe drinking water supply.

Given the magnitude of the costs, grants and direct appropriations are needed in order to keep rates from being prohibitively high. The Revolving Loan Fund has not been used because there is no way the residents could pay back the loan; the rates would be so high that the people who need the wastewater system could not afford it. The South Valley is not part of Albuquerque City and city officials believe that the city is already subsidizing the South Valley residents.

In addition, the Revolving Loan Program cannot make a long-term commitment for future funding of a phased project. The funds for both water and sewer problems are eventually needed. I realize that your committee's jurisdiction is mainly the wastewater part of their problem, and we are trying to secure funding for wastewater first. My point, however, is that the loan fund is not the answer for all of the above reasons.

Clearly the legislature is doing its part in this worthy partnership which would use both state resources and federal resources. Even with the state appropriations the South Valley still needs $35-$40 million to meet its water and sewer treatment needs--$25 million for the wastewater portion which falls within the jurisdiction of your committee.

Dozens of programs on the books but none of them can help the South Valley. Over the years, the community has investigated using the state revolving loan fund, Economic Development Administration programs, rural development programs under the Department of Agriculture, all of the EPA programs, HUD programs, and the Community Development Block Grant program. The South Valley is ineligible for all of

them because it is either too close to Albuquerque and therefore not rural enough, or too close to Albuquerque and therefore, when viewed as a region, is not poor enough. Or the needs of the South Valley are too big and would swallow up entire programs' nationwide budgets. Frankly the existing programs, with their restrictions about being too urban or too well off aren't the important criteria. It has simply been too long since the Federal government joined the state and local partnership.

The Senate has passed a South Valley authorization. Action is needed in the House. Last year, the Senate passed S. 1685 which authorized this project. That bill is being held at the House desk. I would like to ask that your Committee include Section 3 of that bill in your Chairman's mark.

This authorization, if it is enacted into law, will end thirty years of frustration, denial and avoidable health problems in this community.

Thank you Mr. Chairman.

Mr. APPLEGATE. Does anybody have any questions?

Ms. Molinari.

Ms. MOLINARI. Thank you. I do have one brief question. Let me thank you, Senator, for taking the time to come over to our side of the Hill to personally plead your case for your constituents.

I speak for the majority of House Members to find it refreshing to find a member of the Senate to make that personal plea and certainly we do appreciate your time. You stated in your testimony that this area does not have sanitary sewers. What do they do? Is it cesspools, just runoff?

Senator DOMENICI. It is septic tanks, and one small portion has a sewer system, which has been piecemeal developed over the years, but as you look at the Federal programs, I mean, we have worked on every one possible and none of them fit the overall area, so cesspools are rampant in the area.

The water system is, as a result, getting very dangerous. Newspapers are filled with headlines about the dangerous water. There are two major schools in the area, and obviously they have had to put in new water facilities because the aquifer is getting damaged by the abundant——

Ms. MOLINARI. I see, okay.

Senator DOMENICI [continuing]. The abundance of septic tanks.

Ms. MOLINARI. I didn't realize there was such a close connection between the drinking water supply and the septic system.

Senator DOMENICI. Since the water system is also well water, there is very good aquifer there that supplies water for the whole area, but obviously people can't be adjusting that all the time. They have their well down, and if the water gets worse because of the septic tank overflow and they don't get a new well immediately, we have danger situations.

Ms. MOLINARI. Certainly I can appreciate the immediacy of a problem like that. It is hard to imagine that in these United States we have communities that are still under those kind of potentially disastrous conditions.

Thank you.

Mr. APPLEGATE. Thank you, Ms. Molinari.

Does anybody else have—Mr. Quinn.

Mr. QUINN. Thank you, Mr. Chairman.

Senator, just briefly, I came here a year and half ago from local government. I was a town supervisor in upstate New York in the town of Hamburg, and I understand this cooperation between local, State, and Federal.

When you talk about the Federal match for your needs in this particular situation, is the State participation or that local sales tax that you talk about contingent on our funding or will it all together be a package that gets it done?

Senator DOMENICI. Well, actually it will be the whole package that gets it done. The legislature continues to put money in one year at a time, $3 million one year, $5 million another. The last appropriation is contingent upon a bigger plan and additional funds from other sources.

Mr. QUINN. Good. Thank you.

Senator DOMENICI. But both local and State are participating already. If you don't get a master plan pretty soon, you are going to waste all that money.

Mr. QUINN. I agree.

Thank you, Senator. Thank you, Mr. Chairman.

Mr. APPLEGATE. If there are no other questions, Senator, thank you very much for appearing before the committee and we certainly will be looking at your request.

Senator DOMENICI. I thank the gentlemen sitting on my right and left for yielding to me. I very much appreciate it.

Thank you, Mr. Chairman.

Mr. APPLEGATE. Okay, and we have a couple of our distinguished colleagues here, and first, we will take them in the order that I have them listed.

Mr. Livingston of Louisiana.

TESTIMONY OF HON. BOB LIVINGSTON, A REPRESENTATIVE IN CONGRESS FROM LOUISIANA

Mr. LIVINGSTON. Thank you very much, Mr. Chairman, and thank you for making the time to hear from Members today. I also want to thank both majority and minority staffs for their assistance and their courtesy to my staff on all the projects over the years that are so vital to Louisiana.

The other day, Mr. Boehlert was kind enough to submit letters for the record during the July 19th hearing on projects that I want to ask you to consider. I am not going to reiterate each and every one of those projects to you, but I would like to submit some additional information for the record, and stress particularly one particular project which I do have extraordinary concern, and that is the authorization for the East of Harvey Canal Hurricane Protection Project. That is the unprotected portion of Jefferson, Orleans, and Plaquemines Parishes on the west side of the Mississippi River. We have the river levee, but we do not have the levee to the south which protects against flood waters coming in from the south on the west side of New Orleans and Jefferson Parish.

Basically it is Jefferson Parish, but it is very close to New Orleans, and in May of 1992, my colleague, Billy Tauzin and I asked the committee to modify an existing authorized project to provide hurricane protection for 35,000 acres of urban development in West Jefferson, Orleans, and Plaquemines Parishes of Louisiana east of the Harvey Canal.

The 1986 Water Resources Act, Public Law 99—662 authorized hurricane flood protection for areas along the west bank of Jefferson Parish, Louisiana. The Westwego to Harvey Canal, Louisiana project on the west end of this project is currently under construction and is annually funded during the appropriations cycle.

In fiscal year 1987, the Corps feasibility studies were initiated for hurricane protection for the 35,000 acres east of the Harvey Canal. A draft feasibility report for this area has been completed, but this project is not yet under way.

As I did in 1992, I would like to ask the committee to simply modify the existing Westwego to Harvey Canal project to include an authorization for the West Bank-East of the Harvey Canal project subject to a final Chief of Engineers report.

I make this request because the draft feasibility report is completed. Over 130,000 residents and 31,650 residential structures in this area cannot wait for the next two-year authorization bill in 1996 for hurricane protection. The Corps has confirmed that 40 percent of these residences would be flooded by a 100 year "project hurricane" and 82 percent would be flooded by the standard project hurricane.

At least eight hurricanes and tropical storms have passed through or near this project area since 1915. And these residents deserve the same level of Federal commitment and protection that is being provided for the residents west of the Harvey Canal.

I have enclosed various—attachments with my testimony, various proposed bill language for the project.

In sum, what we have is a project that has been begun as far back as the middle 1960s, and it wasn't until Hurricane Juan explained to local folks on the west bank of the Mississippi River how important hurricane protection really is that construction actually began on the west of the Harvey Canal sector west of the Mississippi River.

Now, we want to go east of the Harvey Canal. There are a lot of folks there who are virtually unprotected if the flood waters rise from the south and that is where we want to try to provide protection, and I hope that we can get it authorized.

There is no final chief of engineers report, however, we would ask for authorization subject to the acquisition of that report because we believe it is forthcoming within a matter of short months.

Mr. APPLEGATE. Okay. Thank you very much, Bob.

[Mr. Livingston's prepared statement follows:]

Testimony of Honorable Bob Livingston
House Public Works and Transportation Committee
Water Resources Act of 1994
July 26, 1994

Thank you for allowing me to appear before you today. I sincerely appreciate your assistance in providing an additional day for members to appear. I also must commend your professional staff and those on the minority side for the courtesies extended to me and my staff.

As you know, Mr. Boehlert was kind enough to submit letters for the record during the July 19th hearing which explain the projects I am asking you to consider.

My appearance today is simply to reiterate those same requests and to tell you that my main concern is providing authorization for the East of Harvey Canal Hurricane Protection Project.

In May, 1992, my colleague Billy Tauzin and I asked your Committee to modify an existing authorized project to provide hurricane protection for 35,000 acres of urban development in West Jefferson, Orleans, and Plaquemines Parishes, Louisiana, east of the Harvey Canal.

The 1986 Water Resources Act, P.L. 99-662, authorized hurricane flood protection for areas along the west bank of Jefferson Parish, Louisiana. The Westwego to Harvey Canal, Louisiana, project is currently under construction and annually funded during the appropriations cycle. In Fiscal Year 1987 Corps feasibility studies were initiated for hurricane protection for 35,000 acres east of the Harvey Canal. A draft feasibility report for this area has been completed.

As I did in 1992, I ask the Committee to simply modify the existing Westwego to Harvey Canal project to include an authorization for the West Bank-East of the Harvey Canal project subject to a final Chief of Engineers report. I make this request because the draft feasibility report is completed. Over 130,000 thousand residents and 31,650 residential structures in this area cannot wait for the next two year authorization bill in 1996 for hurricane protection. The Corps has confirmed that 40% of these residences would be flooded by a 100 year "project hurricane" and 82% would be flooded by the standard project hurricane. At least eight hurricanes and tropical storms have passed through or near this project area since 1915. These residents deserve the same level of Federal commitment and protection that is being provided for the residents west of the Harvey Canal. I have enclosed proposed bill language for this project. (Enclosure 1)

In your 1992 Water Resources Development Act, P.L. 102-580, Section 307 authorized $70 million in funding to design and construct projects to address water quality problems associated with storm water discharges for certain areas adjacent to large lakes and tidal basins. Appropriated projects have begun and very near term projects have been developed for the amount originally authorized in 1992. However, an increased authorization is needed to fully address the areas authorized in 1992 and to meet other needs around the country.

In addition, I would ask for your assistance in amending the Section 307 authorization, or any other appropriate legislation your Committee may report out prior to the end of this year, to authorize EPA and the Corps of Engineers to provide funding to the Lake Pontchartrain Basin Foundation to carry out water quality restoration projects for the Lake Pontchartrain Basin. The additional authorization needed for this effort is $19,750,000 for fiscal years 1995 through 1999.

Situated just above New Orleans, Lake Pontchartrain and its adjacent lakes form one of the largest estuaries in the United States. Approximately a million and half people, one third of the entire population of Louisiana, live in the 16 parishes that the Lake Pontchartrain Basin drains. The extensive wetlands of the entire Basin provide one of the primary nurseries for much of the seafood harvested in the Gulf of Mexico. The Lake Pontchartrain Basin is still threatened by continued development and population growth. Pollution from old and new developments, both rural and urban, is damaging the Basin.

However, the Lake Pontchartrain Basin Foundation and the state have identified and already begun projects to clean up the Basin. The Lake Pontchartrain Basin Foundation is a non-profit State-chartered entity that has been the leading research and advocacy group in Louisiana for identifying sources of pollution in the Basin and projects to curb this pollution. The Foundation has prepared, and has been carrying out, a comprehensive management plan for the Basin to address the water pollution problems in the Basin. An authorization of almost $20 million that would allow the Foundation and Federal agencies to implement these projects is critical. I have enclosed some proposed language for your consideration. (Enclosure 2)

Thank you for any assistance you can provide and for allowing me to present these requests to your Committee.

ENCLOSURE 1

DRAFT LEGISLATION

AUTHORIZATION SUBJECT TO A FAVORABLE REPORT.--The following projects are authorized to be prosecuted by the Secretary substantially in accordance with the plans and subject to the conditions recommended in the respective reports cited, with such modifications as are recommended by the Chief of Engineers and approved by the Secretary, and with such other modifications as are recommended by the Secretary. If no report is cited for a project, the project is authorized to be prosecuted by the Secretary in accordance with a final report of the Chief of Engineers, and with such other modifications as are recommended by the Secretary, and no construction of such project may be initiated until such a report is issued and approved by the Secretary.

WEST BANK HURRICANE PROTECTION EAST OF HARVEY CANAL, LOUISIANA

The project, West Bank Hurricane Protection Levee, Jefferson Parish, Louisiana, authorized by Section 104 of Public Law Law 99-662, dated November 17, 19[illegible], is modified to include improvements to the West Bank of the Mississippi River in the Vicinity of New Orleans, Louisiana, East of Harvey Canal, for hurricane protection in Jefferson, Orleans, and Plaquemines Parishes at a total estimated cost, based on October 1991 price levels, of $124,437,000, including Federal costs of $80,884,000 and non-Federal costs of $43,553,000. Work-in-kind provided by non-Federal interests to expedite the construction of this project may be credited as part of the non-Federal contribution. Any non-Federal contribution for the construction of the project, including any modifications that may be approved by the Secretary, may be made over a period of not more than 30 years after the date of the enactment of this Act, with interest at a rate to be determined pursuant to Section 106 of Public Law 99-662. Repayment contracts shall provide for the recalculation of the interest rate at five-year intervals.

ENCLOSURE 2

1 At the appropriate place, insert the following new sec-
2 tion:
3 **SEC. ___. LAKE PONTCHARTRAIN BASIN RESTORATION.**
4 (a) FINDINGS.—Congress finds that—
5 (1) the Lake Pontchartrain Basin (referred to
6 in this section as the "Basin") forms 1 of the larg-
7 est natural estuaries in the continental United
8 States;

1 (2) the Basin drains an area of almost 5,000
2 square miles from 16 Louisiana parishes and 4 Mis-
3 sissippi counties;
4 (3) the ecology of the Basin provides the di-
5 verse essential habitat that supports countless spe-
6 cies of fish, birds, mammals, and plants;
7 (4) the extensive wetlands of the Basin provide
8 the primary nursery for much of the seafood har-
9 vested in the Gulf Coast;
10 (5) urbanization, increasing population growth,
11 and explosive development combined with intensive
12 land use have resulted in dramatic threats to the en-
13 vironment and ecology of the Basin;
14 (6) sewage and septic tank discharges, animal
15 waste from farms, herbicides, pesticides, fertilizers,
16 stormwater runoff, sediments from construction, and
17 sewage from fishing camps are all among the many
18 mounting threats to the Basin;
19 (7) a major source of pollution in the Basin is
20 raw or partially treated human waste from commu-
21 nities with poor sewer systems, communities without
22 sewer systems, and from septic tank systems that
23 are not operating properly;

1 (8) stormwater discharges from area pumping
2 stations are mainly channeled directly into Lake
3 Pontchartrain or adjacent waterbodies;
4 (9) the Lake Pontchartrain Basin Foundation
5 is a nonprofit State-chartered entity that has been
6 the leading research and advocacy group in the
7 State of Louisiana in identifying various sources of
8 pollution contributing to the condition of the lake
9 and working to identify projects to curb the pro-
10 liferation of pollution; and
11 (10) the Lake Pontchartrain Basin Foundation
12 has prepared, and has been carrying out, a com-
13 prehensive management plan for the Basin to ad-
14 dress the water pollution problems described in this
15 subsection.
16 (b) RESTORATION PROJECTS.—In accordance with
17 the comprehensive management plan for the Basin pre-
18 pared by the Lake Pontchartrain Basin Foundation, the
19 Administrator of the Environmental Protection Agency and the Secretary of the Army
20 shall provide funding and oversight to the Lake Pont-
21 chartrain Basin Foundation to carry out restoration
22 projects for the Basin that—
23 (1) address human waste problems in the Basin
24 by providing a cost sharing construction program
25 combined with an education program with incentives

1 to parishes and local communities to improve sewage
2 treatment facilities and procedures;
3 (2) provide critical assistance to dairy produc-
4 ers and other persons in constructing lagoons and
5 implementing lagoon clean-out programs designed to
6 address and curb agricultural runoff into the Basin;
7 (3) provide for the rerouting of discharges from
8 selected pumping stations through wetlands adjacent
9 to the Basin, utilizing canals and small water control
10 structures in existence at the time of the rerouting,
11 in order to use natural wetlands to filter pollutants
12 from urban stormwater; and
13 (4) improve Basin water quality by eliminating
14 discharges of raw or partially treated sewage from
15 fishing camps by constructing community sewage
16 systems for camps or, where there are approved mu-
17 nicipal or community systems, providing tie-ins for
18 camps.
19 (c) AUTHORIZATION OF APPROPRIATIONS.—There
20 are authorized to be appropriated to carry out this section
21 a total of $19,750,000 for fiscal years 1995 through 1999,
22 to remain available until expended.

Mr. APPLEGATE. I don't know whether anybody has any questions at this point.

Why don't we go to Mr. Porter and tell us what your needs are.

TESTIMONY OF HON. JOHN EDWARD PORTER, A REPRESENTATIVE IN CONGRESS FROM ILLINOIS

Mr. PORTER. Mr. Chairman, Mr. Petri, Members of the committee, I appreciate very much the opportunity to testify this morning. I will be very brief.

I come before the Subcommittee to express my strong support for the Army Corps' request for additional budget authority to complete the North Branch Chicago River flood control project in my district. The project is vitally important to me and my constituents.

In 1982, flooding in the area near the river caused millions of dollars' worth of damage and wiped out my campaign office. That got my attention. The project provides for construction of three reservoirs. It is not yet complete, but it is already a success. The reservoirs that have been completed have already been used on several occasions and have prevented millions of dollars' worth of damage that would otherwise have occurred. State and local governments have made significant contributions to the project, but because of various cost increases, the Corps requires additional budget authority to complete it.

According to the Army Corps' Chicago district office, the Corps will need $5.077 million in additional budget authority to completge the project. This increase is due to a number of factors including inflation, increases in land values, increases in engineering design and construction costs and increases in non-Federal reimbursement costs. I strongly support this request. I hope the subcommittee and the full Public Works Committee will approve it. I thank you for the opportunity to testify.

Thank you, Mr. Chairman.

Mr. APPLEGATE. Thank you very much, John.

[Mr. Porter's prepared statement follows:]

Testimony of the Honorable John Edward Porter

Before the House Public Works Subcommittee

on Water Resources and the Environment

July 25, 1994

Chairman Applegate and Congressman Boehlert, thank you for this opportunity to testify before the House Public Works Subcommittee on Water Resources and the Environment. I have come before the Subcommittee today to express my support for an Army Corps of Engineers request for additional budget authority for the North Branch Chicago River Project.

The North Branch project was undertaken in response to severe flooding along the North Branch of the Chicago River in 1982. It was authorized in section 401(a) of the 1986 Water Resources Development Act (P.L. 99-662) and provides for construction of three reservoirs located on two forks of the River. While the project is not fully complete, the reservoirs have already been used on a number of occasions and have prevented tens of millions of dollars' worth of flood damage in my congressional district.

The project enjoys strong local support as demonstrated by the four local cooperation agreements executed with three different sponsors for the project. While the scope of the project is the same today as when it was authorized, the total cost of the project has exceeded the authorized amount.

The project's cost has increased from the authorized cost of $22.7 million to $34.8 million, according to the Army Corps. The increased cost is due to inflation ($2.59 million); increases in land values ($4.192 million); increases in engineering, design and construction costs ($4.187 million); and increases in the cost of reimbursing non-federal interests for two of the three reservoirs ($1.131 million).

It is my understanding that the Corps needs an additional $5.077 million in budget authority to complete this project and that it has requested that this authority be included in the Water Resources Development Act currently under consideration by the Subcommittee. I strongly support this request and ask that the Subcommittee provide this additional authority.

I thank the Subcommittee for its time.

Mr. APPLEGATE. Does anybody have any questions of either of the gentlemen before us?

Mr. OBERSTAR. They made such a persuasive case, Mr. Chairman.

Mr. APPLEGATE. Mr. Oberstar says you made a very persuasive case. Thank you very much for coming before the committee.

I think at this time I am going to recognize Mr. Lipinski.

TESTIMONY OF HON. WILLIAM LIPINSKI, A REPRESENTATIVE IN CONGRESS FROM ILLINOIS

Mr. LIPINSKI. Thank you very much, Mr. Chairman, and good morning to my fellow committee Members.

I appreciate this opportunity to offer testimony in support of the Chicago shoreline protection project, and I would like to ask that an authorization for the project be incorporated as part of the Water Resources Development Act of 1994.

I would also ask permission to include in the record of today's proceedings additional testimony from Chicago's Mayor Richard Daley and that his statement be inserted so as to follow my remarks on the shoreline project.

Mr. APPLEGATE. Without objection.

Mr. LIPINSKI. Thank you very much, Mr. Chairman.

Mr. Chairman, as you know, the Chicago metropolitan region is home to many of the Nation's most innovative water-related infrastructure projects. These projects have ranged in scope and vision from the actual reversal of the Chicago River nearly a decade ago—excuse me, nearly a century ago to the ongoing deep tunnel project.

Through it all, the Congress has consistently supported the city in its endeavors, in part because the projects have been recognized as necessary to ensure a high quality of life for the people of our Nation's third largest membership area. Today I am here to suggest that this subcommittee continue that tradition.

Quite simply, Mr. Chairman, an eight-mile stretch of the shoreline that protects the City of Chicago from Lake Michigan is in the process of collapsing. As we speak, 500 feet of revetments that protect Fullerton Avenue have collapsed and are now under water. Once the revetments are no longer able to protect the shoreline, the land will erode at a rate of 20 to 25 feet per year.

It is imperative that we prevent the eventual loss of conservatively over $5 billion in irreplaceable private and public property and infrastructure. The 194 Water Resources Development Act affords us this opportunity. Language must be included that provides enough funding to begin reconstruction in the 1995 fiscal year.

As you know, the U.S. Corps of Engineers have been concerned about the condition of the shoreline for nearly two decades. In fact, the full Committee on Public Works and Transportation issued a resolution on this issue in 1974. It directed the Corps to investigate erosion and flood damages along the Illinois shoreline of Lake Michigan.

The results of that study recommended rebuilding the deteriorating revetments. The study pointed out that approximately one-third of all of the revetments were in immediate danger of collapse. It also argued that there should be a definite Federal interest in the project.

In effect, the Corps said that the Federal Government should provide funding for reconstruction because the national benefits derived from Chicago's shoreline exceed the Federal costs to protect it.

The Corps went so far as to predict that the loss of access to the lake front would result in an economic cost of approximately $300 million annually. In addition, over 8,500 local jobs would be lost.

Mr. Chairman, in the final Chief of Engineers report on the shoreline, the Corps examined several plans to carry out reconstruction and selected the one that would achieve the necessary repairs, while providing the highest cost benefit ratio. The selected plan is contained in the Corps' National Economic Development Plan.

Initially, the NEDP recommended a rubble-mound approach for repair of the damaged revetments. The rubble-mound would consist of large boulders placed along the lake front to provide the necessary shoreline protection.

However, the Corps also realized that the rubble-mound approach would have rendered the lake inaccessible from the shore. This would have led to safety problems and the erection of fences to prevent the public from climbing on the barriers. In addition, the cost of maintaining the rubble-mounds were estimated by the Corps to be about $150,000 annually.

Consequently, the Corps worked with the City of Chicago to modify the NEDP and recommended reconstruction of the existing revetments. These are called step-stones, and their design guarantees continual public access to Lake Michigan.

The step-stone plan consists of sheet pilings at the lake's edge with stone blocks ascending towards the land in a step-like pattern. In addition, however, because a sheet pile cannot stand alone, splash aprons are necessary to prevent an undermining of the piling from wave action. Each step-stone acts as a splash apron.

Finally, step-stones are estimated to cost about $23,000 per year to maintain. This is because there are no shifting boulders to reposition, as with rubble-mounds.

The Corps has estimated that construction of step-stones will cost approximately $192 million. This figure is $32 million more than the rubble-mounds. However, step-stones are known to last considerably longer, and as I just mentioned, step-stones cost about $128,000 less to maintain per year than the rubble-mounds.

I would also like to point out that the step-stone design I have described has been proven to be the most effective and durable means of protection. This is because of the manner in which the steps gradually break wave action.

Mr. Chairman, the Water Resources Development Act of 1986 authorizes projects in the NEDP to be cost shared in a 65 percent Federal, 35 percent non-Federal split. It also mandates a 50 percent Federal, 50 percent non-Federal split for features of the project that are recreational or separate in nature.

The local sponsors of the Chicago Shoreline Protection Project, the City of Chicago and the Chicago park district, as well as myself, are requesting that the subcommittee include the following cost share in its authorization:

The first $160 million, the cost of constructing just rubble-mound, we would require a 65 percent Federal share, 35 percent non-Federal share.

Of the remaining $32 million, the additional cost to construct step-stones, we are requiring a 50/50 split.

I realize the Corps does not recommend that the Federal Government pay for any of the additional costs to construct the step-stones. The Corps has said that selecting step-stones over rubble-mound serves only separable, recreational purposes. Therefore, the Corps recommends that the local sponsors pay the full $32 million.

I must disagree.

Even if the step-stones do provide substantial recreational use, and use that is not just incidental to the more important purpose of protecting the shoreline, then existing law requires a 50/50 Federal, local cost share for the additional $32 million.

Congress already decided this issue when it enacted Section 103(4)(c) of the Water Resources Development Act of 1986. That provision spells out the required cost share for any projects that may be recreational in their nature.

Mr. Chairman, as you well know, Chicago's accessible shoreline and well developed lake front together greatly help to make the city attractive for multinational corporations and for visitors all over the globe. The related influx of tax revenue provides economic growth not only for the region, but also for the Nation's economy.

If Illinois is to further compete in the international marketplace, it is imperative that our shoreline continues to be preserved and protected. We are talking about a lake front that has stood guard on the city for nearly 80 years, having outlived its design life by 30 years.

Without immediate reconstruction efforts, Chicago's lake front and its status as a national treasure could be lost forever.

Mr. Chairman, I appreciate the opportunity to make this presentation. I appreciate your time and your patience, and I yield back any time that I still have.

[Statement by Mayor Richard M. Daley of Chicago follows:]

WRITTEN TESTIMONY IN SUPPORT OF THE UNITED STATES ARMY CORPS OF ENGINEERS' CHICAGO SHORELINE PROTECTION PROJECT

THE ILLINOIS SHORELINE EROSION, INTERIM III, WILMETTE TO ILLINOIS/INDIANA STATE LINE

by

MAYOR RICHARD M. DALEY
CITY OF CHICAGO

SUBCOMMITTEE ON WATER RESOURCES and ENVIRONMENT
COMMITTEE ON PUBLIC WORKS and TRANSPORTATION

UNITED STATES HOUSE OF REPRESENTATIVES
B-370A Rayburn House Office Building
Washington, D.C. 20515

26 July 1994

Mayor Richard M. Daley
City of Chicago
Written Testimony in Support of
The Chicago Shoreline Protection Project
Subcommittee on Water Resources and Environment
26 July 1994

Mr. Chairman and Members of the Subcommittee on Water Resources and Environment thank you for the opportunity to submit written testimony in support of the Chicago Shoreline Protection Project, and for holding hearings on this important issue.

This project is necessary to prevent a catastrophic collapse of one-third of Chicago's lakefront. Taking no action will result in the failure of eight (8) miles of shoreline and the loose of over five (5) billion dollars worth of irreplaceable infrastructure and public property, including a federal highway. It is imperative that this project be authorized by Congress in the Water Resources Development Act of 1994, so that reconstruction of the deteriorated revetments can begin immediately. Time is of the essence because the next intense storms could to hit Chicago's lakefront as early as 1995.

BACKGROUND

Chicago's lakefront requires protection to prevent erosion and storm damage. The lakefront is protected by a series of step stone revetments, groins, and other devices that protect against the destructive forces of wave and storm damage. The existing shoreline protection structures were built between 1910 and 1930, and have substantially outlived their design life. Because of their deteriorated condition, these revetments no longer provide adequate protection from flood and storm damage. This condition has created numerous emergencies; threatening the safety and welfare of the public.

The continued flooding and storm damage to Lake Shore Drive (a federal highway) and several other public facilities, prompted Congress in 1974 to direct the United States Army Corps of Engineers (ACOE) to investigate these and related erosion problems along the Illinois shoreline of Lake Michigan. The study was undertaken in four separate interim investigations, each surveying a distinct section of shoreline.

The Chicago section of this study is, the Illinois Shoreline Erosion, Interim III, Wilmette to Illinois/Indiana State Line (Interim III). In the report, ACOE concluded that there is a federal interest in repairing Chicago's lakefront and recommended restoring it to its original condition with step stone revetments.

CONDITION OF THE SHORELINE

The existing step stone revetments are supported by wood pilings. Many sections are in advanced stages of decay and are approaching or undergoing structural collapse. Because of deterioration, many of these pilings no longer adequately support the step stones. Areas most critically affected and most vulnerable are:

- Montrose Harbor to Fullerton Avenue;
- Northerly Island;
- 27th Street to Promontory Point at 55th Street; and
- South Water Purification Plant at 79th Street.

ACOE projected severe structural failure of some areas as early as 1998. Since this prediction, divers identified new caverns underneath the shore edge that have left large sections of the shoreline entirely unsupported and near failure. For example, 500 feet of the Fullerton Avenue revetments calculated to breakdown by the year 2005 have already collapsed -- years earlier than anticipated. Structural deterioration clearly is advancing at a much greater rate than previously thought. Once the wood pilings break down, land will erode at an average rate of 20 to 25 feet per year. Due to the severity and extent of damage, emergency repair measures will not suffice.

THE RECOMMENDED STEP STONE REVETMENT PLAN

Under federal guidelines, the plan that achieves storm damage reduction at the highest ratio of benefit to cost is the National Economic Development (NED) plan. The NED defines the level of federal financial assistance for constructing the project. ACOE designated the rubble mound design as the NED plan. Rubble mound revetments are large

irregular boulders randomly placed along the lakefront leaving gaps between the boulders at the surface.

Congress stipulated that ". . . . in planning any water resources project ACOE shall consider the impact of the project on existing and future recreational and commercial uses in the area surrounding the project." [33 U.S.C. Section 2320(a)] Also, Congress directed ACOE to address and consider the benefits and costs of enhancing the national economic development and preserving the environment and the cultural and historical value of the area during the planning of any water project. [33 U.S. C. Section 2281] For example, in 1988 Congress directed ACOE to restore uses of the South Pier of the Charlevoix Harbor in Charlevoix, Michigan, because installation of a rubble mound revetment had destroyed the utility of the pier and lessened its economic value. See Section 25 of the Water Resources Development Act of 1988.

Construction of the rubble mound revetments would present immediate safety hazards. In fact, because of these safety hazards, ACOE proposed to fence off the lakefront as part of the rubble mound design, rendering the lake inaccessible and reducing substantially the economic and property values of the lakefront. Additionally, this type of revetment destroys the historical integrity of the shoreline and requires continual maintenance because the boulders continually shift and must be realigned and replaced at a cost of $153,000 annually. Consequently, due to the problems and deficiencies of the rubble mound design ACOE recommended construction of the locally preferred step stone revetment design.

The step stone design consists of steel pilings at the lake edge with large cut stone blocks ascending landward in a step like pattern. Steel sheet pilings hold the revetments in place eliminating settling problems. The pilings, which are the most effective and durable shoreline protection system, cannot stand alone. A splash apron must be constructed behind the pile in order to dissipate and break up the wave action that overtops the pilings. Each step in this engineered design helps to dissipate wave force by acting like a splash

apron, and protects existing landform with minimum backwash and with the least potential for future damage.

Because the rubble mound design is unsafe, tremendously costly to maintain, and substantially reduces the economic value of the lakefront, it is unacceptable. Moreover, there is no public support to construct revetments that eliminate or restrict access to the lakefront. The step stone revetments are relatively maintenance free and are a sounder engineering solution better suited to provide protection for a longer period of time than the rubble mound revetments. The step stone plan maintains full use of the lakefront and preserves the economic value of the lakefront. This recommended design, in fact, yields the greatest economic benefit.

BENEFIT - COST ANALYSIS

Chicago's accessible shoreline and well developed lakefront park system attracts world wide business, stimulating not only the City of Chicago and the State of Illinois economies, but also the national economy. The Illinois Department of Commerce and Community Affairs determined that the Chicago lakefront is extremely important to the growth of a vibrant and diversified business sectors within the City of Chicago and throughout the State of Illinois.

The United States Travel and Tourism Administration reported that the travel industry will be the leading employer in the State of Illinois by the year 2000. The Illinois Department of Commerce and Community Affairs documented that in 1990 35 million people visited Illinois contributing $14 billion to the State's economy. Additionally, Illinois' number one and number two attractions for visitors are on Chicago's lakefront -- the Lincoln Park Zoo and the Museum of Science and Industry. The Illinois Department of Commerce and Community Affairs concluded: ". . . . that the protection of Chicago's magnificent Lake Michigan shoreline is vital to the future economic growth of the Chicago metropolitan region and the entire State of Illinois." See Interim III Report Volume II, Appendix D.

In the Interim III Report, ACOE concluded that the national benefits derived from Chicago's shoreline far exceed the federal costs to protect it, thereby establishing a federal interest in providing financial support to construct this project. Specifically, ACOE determined that:

- the economic value of the lakefront exceeds costs of protection (protecting Lake Shore Drive is sufficient justification for federal participation);
- the economic value of lakefront facilities and property exceeds five (5) billion dollars; and
- **the design of the shoreline protection structures can positively or negatively affect the economic value of the lakefront.**

In the absence of a project, ACOE concluded that storm induced wave action would result in average annual damages of approximately $47 million. In addition, recreation losses from erosion of land would result in average annual damages of approximately $22 million. Failure to repair the collapsing revetments would result in the following:

- increased traffic delays because of road loss of Lake Shore Drive;
- loss of facilities and infrastructure, including irreplaceable museums;
- loss of historical areas, including: Lincoln Park, Grant Park, Jackson Park, Calumet Park, Promontory Point and Northerly Island of Burnham Park;
- loss of National Register of Historic Landmarks: Planetarium, Soldiers Field, and South Shore Cultural Center;
- loss of revenue related to facilities on the lakefront and indirect revenue from conventions and trade shows;
- loss of over 8,500 local jobs; and
- loss of a wetland and bird sanctuary.

Reconstruction of the collapsing revetments with new step stones would preserve Chicago's rich heritage. An architectural and landscape design that includes the work of some of this country's most famous architects and designers: Frederick Law Olmsted, Jens Jensen, and Alfred Caldwell, to name a few. The step stone revetments represent the work of such visionaries employing elements of the simple and prairie school of design, the signature design of Chicago. In fact, this treatment method is considered an important

character-defining feature that contributes to the eligibility of the lakefront parks for inclusion in the National Register of Historic Places.

Although both designs protect Chicago's shoreline from further erosion, the rubble mound design degrades the shore edge. Whereas the step stone revetment plan, by restoring the original design, affords safe access and continued use of the lakefront. Consequently, additional benefits are provided under the step stone plan.

COST SHARING ARRANGEMENT

The federal cost sharing formula for water projects was set forth in the Water Resources Development Act of 1986, which authorizes projects to be cost shared at 65 percent federal and 35 percent non-federal for the NED plan and 50 percent federal and 50 percent non-federal for features that are separate from the storm protection requirements. [33 U.S.C. 2213(c)(4)(5)] The total cost in 1993 dollars for the two plans is: $192,251,000 for the step stone revetment plan and $160,699,000 for the rubble mound plan. There is a cost differential of $31,582.000 between the designated NED plan and the recommended step stone revetment plan.

The local sponsors are seeking a 65 percent federal share and 35 percent local share for the NED plan ($160,699,000) and a 50 percent federal share and 50 percent local share for the additional cost of the step stone plan ($31,582,000), in accordance with Section 2213.

ACOE contends that the local sponsors should bear 100 percent of the additional cost of the recommended step stone plan, because it deems that the step stone design only enhances recreational opportunities. Even if the step stone revetments function solely for recreational purposes, which is not the case, this position is in direct conflict with federal law. In fact, the step stones are an integral part of the protection system because they are the necessary splash apron that prevents the backwash and erosion of the pilings. Additionally, the step stones design structure also preserves the economic, historic, and environmental benefits of the lakefront.

Congress directed ACOE to carry out reconstruction of water projects in a manner which will not adversely affect any recreational use established with respect to such project. [33 U.S.C. Section 2320] Chicago's lakefront has a long history of providing economic benefits to both the city and the state; cutting off use of the lake would have a substantial negative impact on not only the city and state economies but the national economy.

CONCLUSION

It is imperative that this project be authorized by Congress in the Water Resources Development Act of 1994. Major reconstruction of the collapsing structures is needed to preserve the integrity of Chicago's shoreline. This project is designed to prevent further storm damage and loss of valuable land and infrastructure. The recommended step stone plan will maintain safe access to the shoreline while preserving its historical and economic value.

After substantial analysis, ACOE determined that there is a federal interest in assisting in restoration of those sections of Chicago's shoreline that are in the most imminent danger of collapse. If no action is taken, land and facility loss will be rapid and severe. Economic impacts could be immense including the loss of 8,500 local jobs, nearly $300 million in annual revenue and sales, and more than five (5) billion dollars in assets. The reconstruction of the protection system of the Chicago lakefront is a priority for the region.

Mr. APPLEGATE. You have none. Are there any questions from any of the panelists? Well, I guess you did a very good job.

Mr. LIPINSKI. Must have been my splendid testimony. Thank you very much, Mr. Chairman.

Mr. APPLEGATE. Absolutely right. Thank you very much, Mr. Lipinski.

Now, we are going to go, as we have them listed here, to Mr. McCandless of California. Welcome, Al.

TESTIMONY OF HON. ALFRED McCANDLESS, A REPRESENTATIVE IN CONGRESS FROM CALIFORNIA

Mr. MCCANDLESS. Thank you. Thank you, Mr. Chairman. And thank you and the Members of the committee for the opportunity of being able to appear here today on a project which is very important to the health, welfare and safety of the Blythe area, in the eastern end of my district.

In case Blythe is not known to you, it is on the Colorado River just west into California from Arizona, and has the reputation of appearing on the temperature gauges of our Nation from time to time as the hottest place in the Nation.

The McCoy Wash is an integral part of this area, in the watershed that moves from the upper areas of the Mojave Desert into the southern areas of the Colorado desert, and as a result, we have ephemeral streams that drain about 170 square miles of rugged, largely undeveloped desert land. This project has been a long time coming.

It is a project of the Soil Conservation Service under Public Law 566, in conjunction with the jurisdictional flood control agency, the Palo Verde water district, which supplies agricultural water to the region.

These ephemeral streams originate in the mountains above this area. They channel down into the Palo Verde Valley, off of a mesa into the valley itself and the agricultural area northeast of Blythe, and the flow then moves across the valley in the agricultural system and into the Colorado River. At the times when this occurs, we are left with a lot of silt because of the composition of the soil, and the large storms which bring that silt from the McCoy Wash tend to cover the productive agriculture areas which, in this case, is rather extensive, in excess of 8,000 acres.

In the past, flooding has resulted in considerable loss of productivity, and the flood water creates the problem of trying to dig your way out, so to speak, which can be very costly in and of itself, far more than what we are talking about here with respect to the cost of this project.

The plan that we have presented to you today is addressing what we refer to in the trade as the 100 year storm. It consists of a 9,176 acre foot capacity dam, a diversion channel, and an outlet channel which will direct spillway flows onto the west side of the valley and on into the Colorado River, avoid those areas of agriculture which have been inundated in the past.

Fully 97 percent of the agriculture involved here, roughly 740 acres and 70 homes will be protected by the project. The cost of the project is estimated to be completed, at a cost of about $5 million, in a three-year period and is shared by the local sponsors. It is ob-

viously going to benefit immediately the areas in which this takes place. It is not a large project, but these diversion channels are essential.

Mr. Chairman, this plan has complete support from all departmental levels and I might add, including the Office of Management and Budget, so it can't be all bad. It has a remarkably high level of continued support on the part of our various participants within the jurisdiction of the flood control district and in the State, as well as the Soil Conservation Service, and the County of Riverside.

I appreciate the committee's consideration of this project today and would respectfully ask for your support, Mr. Chairman, so we can move forward and as they say, stick a spade in the ground.

I would ask at this time that relevant documents outlining this support be entered into the record with my testimony and thank you again for the chance of appearing before you and the other Members of the committee.

Be happy to answer any questions, if you have some.

Mr. APPLEGATE. Thank you very much, Al.

[Mr. McCandless' prepared statement and attachments follow:]

AL McCANDLESS
44TH DISTRICT, CALIFORNIA

COMMITTEES
BANKING, FINANCE AND URBAN AFFAIRS

GOVERNMENT OPERATIONS

Congress of the United States
House of Representatives
Washington, DC 20515-0544

2422 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-0544
(202) 225-5330

DISTRICT OFFICES

73-710 FRED WARING DRIVE
SUITE 112
PALM DESERT, CA 92260-2510

POST OFFICE BOX 14442
PALM DESERT, CA 92255-4442
(619) 340-2900

22890 CACTUS AVENUE
SUITE 155
MORENO VALLEY, CA 92553-8041
(909) 955-1444

Testimony of the Honorable Al McCandless
Before the Subcommittee on Water Resources
House Committee on Public Works and Transportation
July 26, 1994

Mr. Chairman, thank you for this opportunity to speak today on behalf of a watershed plan which is extremely important to my Southern California district. The McCoy Wash Watershed Plan has been prepared by the Soil Conservation Service under the auspices of the the Water Protection and Flood Prevention Act of 1954 (P.L. 83-566), and is sponsored locally by the Palo Verde Resource Conservation District, the McCoy Wash Flood Council, and Riverside County.

The McCoy Wash Watershed is a plan to reduce flood damage to roughly 7,400 acres of farmland, homes and other structures, and infrastructure in the Palo Verde Valley near Blythe, California. It consists of a 9,176 acre-foot dam and a series of bypass channels to contain flood flows from McCoy Wash. The McCoy Wash and its tributaries are "ephemeral streams" which drain 171 square miles of rugged, mostly undeveloped desert land above the Colorado River floodplain. These streams originate in the McCoy Mountains to the west, the Little Maria Mountains to the northwest, and the Big Maria Mountains to the northeast. From here, the runoff flows southeast across the Palo Verde Mesa, at an average slope of 50 feet per mile. McCoy Wash emerges from the mesa and into the Palo Verde Valley northeast of the Blythe Airport. It then flows south across the Valley's agricultural drainage system and joins the Colorado River, nineteen miles south of the Cibola Wildlife Refuge.

The watershed of the McCoy Wash is unique in that it occurs in the transitional area between the Mojave, or "high" deserts to the north, and the Colorado, or "low" deserts to the south. Large floods often result when tropical air masses move up over this region into Southern California from Baja California. The floodplain itself is mainly irrigated agriculture, as the mild climate supports a year round growing season. Tilling and harvesting operations occur each month of the year, and approximately thirty percent of the area is double-cropped. Major crops include lettuce, cotton, melons, wheat, and alfalfa.

These lands are serviced by the Palo Verde Irrigation District, which provides "on demand" water to individual service outlets throughout the Valley. This water is delivered by gravity canals from a diversion on the Colorado River. The Palo Verde Valley's use of the Colorado River for irrigation dates from the 1870's, and has the number one California Water right on the River. The Palo Verde Irrigation District receives no state or federal monies, and the level of per acre bonded indebtedness of lands within the district is among the lowest in the country.

Mr. Chairman, the Palo Verde Valley's significance as a major agricultural production area cannot be understated. However, it has historically been adversely affected by damage from heavy flooding. Related problems run the gamut from loss of production due to inundation of cropland, sediment deposit on cropland, and floodwater damages to the adjacent infrastructure. There are also accompanying threats to health and public safety. These threats will be alleviated by construction of the McCoy Wash Watershed project, which will be comprised of the previously mentioned dam, a diversion channel, and an outlet channel, which will pass the spillway flows to the Westside drain. Once in place, the Palo Verde Valley will be protected from flood damage for events up to the 100-year storm threshold. Over 97 percent of potentially threatened agricultural lands will be fully protected, along with more than 70 homes. Average damages from annual flood events will also be dramatically reduced.

Mr. Chairman, I would like to briefly emphasize the strong level of local support, which has brought us to this point after many years. Studies for the purpose of preparing a PL-566 work plan were begun in August of 1969. Over the years, as the need for such a project became more and more evident, local support formalized around the creation of the McCoy Wash Flood Control District (MWFCD), which through tax assessments has been able to contribute $50,000 to the Soil Conservation Service during the developmental phase of this project. Local, state, and federal agencies, as well as individual farmers, homeowners, and businesspeople all participated in the steering or advisory committee, and have monitored this project during its journey throughout the process: from the SCS to the Department of Agriculture, to the OMB, and now to your distinguished Committee. The project itself, which is targeted for completion over a three-year period, will cost approximately $5 million, a portion of which will be shared by the local sponsors. I think I can say with some certainty that there is a high level of excitement in the eastern end of my district, now that we are so close to the finish line. Therefore, I would respectfully ask for the Committee's support in assisting this project into the final stages.

At this time, Mr. Chairman, I would ask that my prepared statement and related documents be entered into the record, and would be happy to answer any questions that you or your colleagues might have. Thank you again for allowing me to appear today on this important project.

United States Department of Agriculture
Soil Conservation Service
P.O. Box 2890
Washington, D.C. 20013

12 AUG 1993

Honorable Alfred A. McCandless
U.S. House of Representatives
2422 Rayburn House Office Building
Washington, D.C. 20515-0544

Dear Congressman McCandless:

In response to an application for assistance under the authority of Public Law 83-566, the Soil Conservation Service has assisted local sponsoring organizations in preparing a plan for works of improvement in the McCoy Wash Watershed in California. The watershed plan-environmental impact statement (plan-EIS) was recently transmitted to the President of the Senate and the Speaker of the House of Representatives by the Director of the Office of Management and Budget.

The Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives will be considering this project for approval. For your information, we are enclosing a copy of the plan-EIS and a summary sheet for this project.

Sincerely,

Gary A. Margheim

GARY A. MARGHEIM
Deputy Chief for Programs

Enclosure

Identical letters sent to Senator Dianne Feinstein, Senator Barbara Boxer, Congressman Ken Calvert, and Congressman Ron Packard

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

July 19, 1993

Honorable Thomas Foley
Speaker of the House
of Representatives
Washington, D.C. 20515

Dear Mr. Speaker:

Enclosed for the consideration of Congress is a Soil Conservation Service Plan for the McCoy Wash Watershed of California. This transmittal is made pursuant to Section 5 of the Watershed Protection and Flood Prevention Act (P.L. 83-566) and Executive Order 10654 (January 20, 1956).

Respectfully submitted,

Leon E. Panetta
Director

Enclosure

Identical Letter Sent to the President of the Senate

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

July 19, 1993

Honorable Albert Gore
President of the Senate
Washington, D.C. 20510

Dear Mr. President:

Enclosed for the consideration of Congress is a Soil Conservation Service Plan for the McCoy Wash Watershed of California. This transmittal is made pursuant to Section 5 of the Watershed Protection and Flood Prevention Act (P.L. 83-566) and Executive Order 10654 (January 20, 1956).

Respectfully submitted,

Leon E. Panetta
Director

Enclosure

Identical Letter Sent to the Speaker of the House

Palo Verde Resource Conservation District
McCoy Wash Flood Control District
P.O. Box 610 - Blythe, California 92226

Subject: McCoy Wash PL-566 Date: Oct. 5, 1990

Congressman Al McCandless
435 Cannon House Office Bldg.
Washington, D.C. 20515

Dear Congressman McCandless:

The board of the Palo Verde Resource Conservation District/McCoy Wash Flood Control District, wish to bring your attention to, and support for the McCoy Wash Project. I have attached some information which will outline the proposed project, with maps of the project site.

The need for this project became evident over several years of flood damage, and is supported by economic data supplied by the USDA, Soil Conservation Service study. The benefit to local residents, will result in flash flood provention, that has been estimated to cause over 7,500 acres of flooding, 3.5 million in damages.

The Palo Verde RCD and the County of Riverside, have jointly accepted the role of local sponsorship for the project. Local funding was resolved, through the creation of the McCoy Wash Flood Control District, (formed in Nov. 1985) by 100% approval of local residents and landowners. During the past 3 years, the tax collections have faciliated the transfer of $50,000.00 to the Soil Conservation Service, as its share of the cost of the development phase of the project.

This project, comes under the Watershed Protection and Flood Prevention Act, Public Law 566, authorizing the Secretary of Agriculture to give both technical and financial aid to local organizations for planning and carrying out watershed projects. The McCoy Project, is being carried out by the USDA, Soil Conservation Service, with funding coming from within that agencies watershed program budget.

It is our hope, that we can count on your support for the McCoy Wash Project, and you share our enthusiasm in seeing this project become realized. In December there will be a public meeting to review the just completed Plan/EIS for the McCoy Wash PL-566. As our congressman, we hope that when the final arragements are made, and announcements are sent out, your schedule will allow you to attend our public meeting.

Sincerly yours,

Joey De Coninck

Joey DeConinck
RCD President

Palo Verde Resource Conservation District
McCoy Wash Flood Control District
P.O. Box 610 - Blythe, California 92226

The Honorable Al McCandless
House of Representatives
435 Cannon Building
Washington, D.C. 20515

January 31, 1991

Dear Congressman McCandless:

As a Director of the Palo Verde Resource Conservation District in your Congressional District, please know that our district stands ready to help you and your staff in promoting the conservation of soil and water resources in California.

I am providing you with a copy of the minutes from the McCoy Wash PL-566 public meeting you attended on December 8th., along with the questions and answers from the public at that meeting. I feel we have strong local support for this important project, as indicated by the three attached copies of resolutions from the City of Blythe, Blythe Chamber of Commerce, and Board of Trustees of the Palo Verde Irrigation District, showing their approval and support for this project.

In your busy days ahead, please feel free to call me at (619) 922-2938 nights or (619) 922-1545 days, for any assistance you may need in handling specific conservation objectives our district feels need to be addressed.

On behalf of my district, we wish you the very best in carrying out the responsibilities of your office.

Sincerely,

Joey DeConinck

Joey DeConinck, President
Palo Verde Resource Conservation District
McCoy Wash Flood Control District

RESOLUTION
OF THE BOARD OF TRUSTEES
OF PALO VERDE IRRIGATION DISTRICT

IN SUPPORT OF MCCOY WASH PROJECT

WHEREAS, the Palo Verde Irrigation District maintains and operates a system of canals and drains throughout the Palo Verde Valley; and

WHEREAS, this system of canals and drains are threatened with damage on occasions by flood waters from desert storms entering the valley from normally dry washes along the northerly and westerly sides of the Palo Verde Valley; and

WHEREAS, the McCoy Wash, in the northwesterly portion of the Palo Verde Valley, is a particularly dangerous wash because of its large drainage area; and

WHEREAS, the Palo Verde Resource Conservation District and the United States Soil Conservation Service have developed a flood control project to protect a portion of the Palo Verde Valley from the flooding of the McCoy Wash; and

WHEREAS, this flood control project for the McCoy Wash would also protect a portion of the Palo Verde Irrigation District's canals and drains from damage by flood waters;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees of the Palo Verde Irrigation District fully supports the efforts of the Palo Verde Resource Conservation District and the United States Soil Conservation Service to plan and build a project to protect a portion of the agricultural land of the Palo Verde Valley and facilities of the Palo Verde Irrigation District from flood waters coming from the McCoy Wash.

Passed, adopted and approved this 18th day of December, 1990.

Robert A. Micalizio
ROBERT A. MICALIZIO
President

ATTEST:

C.A. Belile
C.A. BELILE, JR.
Secretary

RESOLUTION NO. 91-188

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLYTHE, CALIFORNIA, IN ITS APPROVAL AND SUPPORT MCCOY WASH PL-566 FLOOD CONTROL PROJECT, AS ADOPTED BY THE CITY COUNCIL

WHEREAS, the Blythe City Council at its regular meeting took up the matter of the proposed McCoy Wash Pl-566 Flood Control Project.

WHEREAS, the City of Blythe further recognizes the goal of the project, and the need to eliminate future flooding that can potentially result in millions of dollars of property damage, and threaten the economic well being of the Palo Verde Valley, and

WHEREAS, the City of Blythe wishes to offer its support for the joint efforts by the McCoy Wash Flood Control District and the USDA, Soil Conservation Service for their work in developing the McCoy Wash Master Plan and Environmental Impact Statement/Report; As set forth, under Public Law 566 (PL-566), the Small Watershed Flood Control Act.

PASSED, APPROVED, and ADOPTED 14th day of January, 1991, by the following vote, to wit:

AYES: Rodriguez, Martindale, Thomas, Farrage, Morgan

NOES: None

ABSENT None

Mayor Doris E. Morgan

JAN 14 1991

ATTEST:

Jeanene M. Manly, City Clerk

(S E A L)

Blythe Chamber of Commerce

201 SOUTH BROADWAY
BLYTHE, CALIFORNIA 92225
Telephone (619) 922-8168

800-443-5513
(Outside California)
800-445-0541
(California)

RESOLUTION #91-001

A RESOLUTION OF THE BLYTHE CHAMBER OF COMMERCE IN
IN SUPPORT OF MCCOY WASH PROJECT

WHEREAS, the Blythe Chamber of Commerce is vitally concerned with all of the aspects of the Palo Verde Vally economy; and

WHEREAS, the agricultural economy is a major portion of the Palo Verde Valley economy; and

WHEREAS, the McCoy Wash, in the northwest portion of the Palo Verde Valley is a threat to a portion of agriculture economy of the valley; and

WHEREAS, this threat is caused by uncontrolled flood waters from a large desert drainage area running into the McCoy Wash; and

WHEREAS, the Palo Verde Resource Conservation District and the United States Soil Conservation Service have developed a flood control project to protect a portion of the Palo Verde from flooding from the McCoy Wash; and

WHEREAS, this flood control project for the McCoy Wash would protect a portion of the Palo Verde Valley agricultural area, as well as facilities of the Palo Verde Irrigation District which supplies water to the entire Palo Verde Valley;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Blythe Chamber of Commerce fully supports the efforts of the Palo Verde Resources Conservation District and the United States Soil Conservation District to plan and build a project to protect a portion of the Palo Verde Valley Agricultural area as well as facilities of the Palo Verde Irrigation District from flood waters of McCoy Wash.

By order of the Board of Directors, January 3, 1991.

Mr. APPLEGATE. Does anybody have any questions?

Mr. Petri.

Mr. PETRI. No. I would just like to compliment you on the effort that you put in in moving this project forward and we look forward to working with you and keeping informed about it.

Mr. MCCANDLESS. Thank you, Mr. Petri. We could injure the beautiful cantaloupes that you receive in Wisconsin if we had a flood and we wouldn't want to do that in towns like Eagle River and places where some of those buy those cantaloupes.

Mr. APPLEGATE. We see no great problem in this.

Thank you very much, Al.

Mr. MCCANDLESS. Thank you, very much.

Mr. APPLEGATE. We are going to take them as we have them here, and still we are on panel one, Mr. Gordon.

TESTIMONY OF HON. BART GORDON, A REPRESENTATIVE IN CONGRESS FROM TENNESSEE

Mr. GORDON. Thank you, Mr. Chairman, Mr. Petri, Mr. Gilchrest, I appreciate having the chance to be with you. I know your time is limited today and I will try to be brief and make my formal remarks a part of the record.

This is the first time that I have ever appeared before your committee and I come here today on a matter that is very important to me, and I think that it is also good for this country. I am here today to request an authorization of $5 million to be included in the Corps of Engineers section of the Water Resource Development Act of 1994, to preserve and interpret the black fox wetlands, Murfree and Oakland Springs wetlands located in my hometown of Murfreesboro, Tennessee.

The authorization will help preserve and interpret wetlands and will plan, design, and construct an environmental education center which will interpret the wetlands so that the area students, residents, and visitors though middle Tennessee can learn about the natural ecosystem firsthand.

The Corps has conducted an environmental assessment, master plan and reconnaissance study and final changes are being made now to the master plan and the National Environmental Policy Act statement is ready for public comment.

I have been very personally involved in this project. I have the full support of the National District Corps of Engineers, as well as the National Corps of Engineers. This is also a project that is very much supported in my community.

Let me say that Murfreesboro is the fastest growing community in Tennessee. It is one of the 50 fastest growing in the Nation, and for that reason, projects like this, if they are not saved close to immediately, we lose it. Every day another subdivision, as you know this, these—is being authorized somewhere.

And what we found, in the middle Tennessee area, there are virtually no wetlands at all. We are in a very flat area. In west Tennessee there are wetlands. In east Tennessee there are mountains, so there are really no wetlands there.

But because we are so flat in middle Tennessee, there is a great deal of flooding and obviously you have concerns with water pollution. So the wetlands serve an important area, not only for flood

control, but also water quality. With some of the dams that have been built in the middle of Tennessee area by the TVA and others in past years, what little wetland area there originally was is really no longer there, and that is why I think the Corps feels this is also an effort at mitigation with the environmental center to try to better educate people in the area about the necessary benefits of wetlands.

And there is one other note that I would like to make also. We are also requesting that the—there be a consolidation of the reconnaissance and the feasibility studies. The normal procedure for authorizing Corps of Engineers projects is a four-step project, as you know, reconnaissance study, feasibility, number three would be planning, engineering, design, and number four would be construction.

After consulting with the Corps, they have suggested that we combine the reconnaissance and feasibility for a couple of reasons. First of all, normally you have both of these in enormously large projects, multi-million dollar dams and dikes, and all these sorts of things that take a long time to do. This is a much smaller project.

They feel that it would be more cost effective to combine both of these, and they feel that the reconnaissance study and the master plan together will provide enough information to accurately estimate the cost and prepare the project plans and specifications.

So, again, in quick conclusion, let me just say that this is a project that I—we have given a great deal of thought to. Much of the planning has already been done. It is supported by the local Corps, by the national Corps. It is extremely important to me and I hope that my one and maybe only appearance before this committee will be a memorable and happy occasion, and it would be if I could get your support in this authorization.

Mr. APPLEGATE. Thank you very much, Bart.

[Mr. Gordon's prepared statement follows:]

BART GORDON
6TH DISTRICT, TENNESSEE
RULES COMMITTEE
BUDGET COMMITTEE
DEPUTY MAJORITY WHIP AT LARGE

103 CANNON BUILDING
WASHINGTON, DC 20515-4206
(202) 225-4231
106 SOUTH MAPLE STREET
P.O. BOX 1888
MURFREESBORO, TN 37133
(615) 896-1986

Congress of the United States
House of Representatives

TESTIMONY OF THE HONORABLE BART GORDON

BEFORE THE PUBLIC WORKS AND TRANSPORTATION
SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT

JULY 26, 1994

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I want to thank Chairman Applegate and the members of the subcommittee for holding this hearing today. I know your schedule is as busy as mine so I'll be as brief and concise as possible.

Since I have never testified before this subcommittee before, the Chairman and members of the Subcommittee may not know of my strong interest is preserving and interpreting the natural and cultural assets in my district. I am specifically interested in preserving and interpreting the Black Fox wetlands and the Murfree and Oakland Springs wetlands located in my hometown of Murfreesboro, Tennessee.

I am requesting an authorization of $5,000,000 to be included in the Corps of Engineers section of the Water Resource Development Act of 1994.

I want to make sure these natural resources are accessible and educational. The requested authorization will help preserve and interpret the wetlands and will plan, design and construct an environmental education center which will interpret the wetlands so that area students, residents and visitors to middle Tennessee can learn about our natural ecosystem first hand.

I have been personally involved in the development of this authorization proposal from the beginning. I have the full support of the Nashville District Corps of Engineers and the Washington, D.C. Corps.

Over the past two fiscal years the Energy & Water appropriations subcommittee has provided funding for the Corps to conduct an environmental assessment, master plan and reconnaissance study which inventories existing environmental resources, proposes the best way to preserve and interpret the resources and coordinates local sponsors who will operate and maintain the project once it's up and running. Now we are ready to move to the planning, engineering and design and construction phase.

Time is of the essence! Murfreesboro is in Rutherford county which is the fastest growing county in the state and is one of the 50 fastest growing counties in the country. I am excited about the continued economic development of my hometown, but I fear some of the area's finest environmental resources will be forever lost to development if immediate action is not taken.

The community's support for this project and its commitment to preserving the wetlands is strong. The Black Fox, Murfree and Oakland Springs wetlands provide critical flood control and water quality enhancement in addition to being the natural habitat for several plants which are on the State's endangered species list. The wetlands store stormwater runoff and provide a natural underground drainage system. The Corps has estimated that without this natural underground drainage system flood depths on Lytle Creek, which runs through the middle of Murfreesboro, would be four feet higher than they are presently.

The purpose of this preservation project and the interpretative environmental education center is to:

1) Preserve the wetlands and maintain the flood control role they play;

2) Preserve the wetland ecosystems which support wildlife and several endangered species of plant life which are indigenous to the area;

3) Provide for an environmental education center which will:

a) educate elementary, secondary and post-secondary students and the general public about wetland environments;

b) provide a facility from which research can be conducted by the Middle Tennessee State University faculty and students;

c) allow local school districts to develop an environmental related curriculum and instruct teachers how best to teach the hands on courses at the environmental center;

4) Interpret the natural benefits and components of the wetlands including flood control, water quality improvement, wildlife and aquatic life habitats;

5) Teach students, residents and visitors to the area what the Army Corps of Engineers and other governmental agencies are doing to protect wetlands and how each citizen can help preserve wetland environments.

As you know, normal procedure to authorize Corps of Engineers projects is a four step process: (1) reconnaissance study, (2) feasibility study, (3) Planning, Engineering and Design stage, and (4) construction. After lengthy consultation with the Nashville Corps and considerable review of the purpose and intent of each step, in an attempt to save time and money we

have decided to fold the feasibility study into the master plan and reconnaissance study.

The reasoning for this consolidation is three-fold. First, the four step process is designed for large, complicated Corps projects like locks, dams, and flood dikes which cost hundreds of millions of dollars to construct and take many years to complete. The project for which I am seeking authorization is not to this scale. Second, the reconnaissance study and the master plan together provide enough information to accurately estimate costs and prepare project plans and specifications. Third, the feasibility study will be duplicative and add cost to the overall project's bottom line and extend the life of the project.

The Nashville District Corps has completed the reconnaissance study and the master plan. Final changes are presently being made to the document. The National Environmental Policy Act (NEPA) statement is prepared and awaiting public comment. I will of course provide the subcommittee with a copy of each document as soon as I receive them in final form.

I want to thank the subcommittee for this time. This project is important to me and to the people of middle Tennessee. I'll be glad to answer any questions.

Mr. APPLEGATE. Mr. Petri. Well, I think I have done a very good job.

Thank you very much, and we are going to be working on this over the next couple of weeks, try to put something together, and hopefully we will be able to look favorably upon your request, but no promises.

Mr. GORDON. Thank you. I will be glad to work with yourself and your staff if there are other questions that need to be answered. I have tried to summarize so that you could get through this day today and get on with the other witnesses.

Thank you very much.

Mr. APPLEGATE. Thank you. Okay.

Now, we can move on to our second panel which consists of our very good friend, Norm Dicks of Washington and accompanied by Cliff Muller, Executive Director, Port of Grays Harbor, Washington, and I don't see Toby Roth here. Toby is on his way and he has some folks with him, so I think I will just wait until he gets here and in the meantime, we will just move forward.

Mr. DICKS. We will just move forward, Mr. Chairman.

Mr. APPLEGATE. Mr. Dicks.

TESTIMONY OF HON. NORM DICKS, A REPRESENTATIVE IN CONGRESS FROM WASHINGTON, ACCOMPANIED BY CLIFFORD C. MULLER, EXECUTIVE DIRECTOR, PORT OF GRAYS HARBOR, WA

Mr. DICKS. Thank you very much and it is a distinct honor to be here today. I appreciate the opportunity to present to the subcommittee, Mr. Cliff Muller, Executive Director of the Port of Grays Harbor, Washington, which is in my district. He will testify on the requirements for Corps of Engineers funding for the Grays Harbor Navigation Improvement Project.

Grays Harbor faces nothing short of an economic crisis as a result of dislocations related to reduced timber activities. And this is a direct result of the impact of the Endangered Species Act in the Pacific Northwest as it relates to the spotted owl and the marbled murrelet.

The unemployment rate in the county has remained consistently above 15 percent and has on occasion approached 20 percent. I am actively engaged with the Clinton administration on a program to promote economic diversification for the area.

The key to an economically viable and diversified Grays Harbor County is development of the port district. The development cannot take place without the Grays Harbor Improvement Project. This project was originally authorized in 1986 at a cost of $95.7 million. Since then the project cost has been substantially reduced to $67 million with $21.5 contributed by the port as local sponsor.

In addition, the local community is providing a wide range of improvements to the port and transportation infrastructure. However, unforeseen circumstances related to the downturn in timber activity have required additional authorization of $6.3 million to secure replacement of an outmoded and dangerous bridge. Mr. Muller will provide the committee with more detail on the requirement.

Let me close by emphasizing my strong support for this amendment to the Grays Harbor project and urge the subcommittee's sup-

port for this critical effort to spur economic development in a severely distressed community.

Mr. MULLER. Thank you, Mr. Dicks. Mr. Chairman, Members of the committee, again, for the record, my name is Clifford C. Muller. I am the Executive Director of the Port of Grays Harbor in southwest Washington. This is located approximately two hours southwest of Seattle for your frame of reference.

I am here today to both thank Members of your committee and your staff for the support and funding that you have given to the Corps of Engineers for the Grays Harbor Navigation Improvement Project, and to note that considerable progress has been made over the last five years.

Three dredging projects and two mitigation contracts have been issued and completed during this time frame, well within construction costs with the first 20 of the 24 miles completed, as you might call it, of Phase 1. It is very important to recognize the benefits that have already occurred from Phase 1 of a three-phase project.

The deeper drafts has allowed us to be to become an exporting port for finished forest products, metals, steel and other commodities, and we have exported over 4 million tons of new commodities across our community.

In addition, as Mr. Dicks mentioned, the port has invested $25 million in its own capital in upland facilities to help with that diversification effort. All this would not have been possible, of course, without the Congress and the Corps of Engineers, and you have an unusual opportunity today in that in the audience is the project manager for this project who is on temporary assignment to the Office of the Corps of Engineers.

I would like to recognize and have Mr.—Dr. James Waller please stand up and be recognized. Dr. Waller is one of the true excellent first class Federal employees, a great professional and a true technacrat in the positive sense of the word.

The next phase of the project is the bridge construction, reconstruction of this bridge that was built in 1910. It is a navigation constraint. It is a navigation hazard. In fact, it is only a matter of time until this bridge becomes inoperable or provides a disastrous situation.

So we plan to use surplus steel from—that is available elsewhere in the country to rebuild this bridge, to remove the navigation constraint, and as Representative Dicks mentioned, timber harvest restrictions have negatively impacted the rail and business traffic across this bridge system and of course reduced timber supply means less domestically finished products.

At the same time, improvements in pulp manufacturing serviced by this bridge have improved the environment, but it also has reduced rail traffic. Therefore, the economics external to the Grays Harbor Navigation Improvement Project for this rail component have changed and that requires further participation by the privates, by the port, and hopefully Congress.

I have provided draft authorization language in my testimony and won't go through and repeat that here. It has three basic components dealing with replacement of approach trestles, future removal by the port, and a limitation of the railroad's exposure during the construction bidding.

For all these important and compelling reasons then, we respectfully request a construction funding totaling $1.5 million for fiscal year 1995 for the main line project, authorization of the Truman–Hobbs allocation for $2.276, and authorization appropriation for extended Federal interest in the amount of $6.3 external to the Corps' project.

As Mr. Dicks mentioned, there has been a tremendous investment of our capital besides Federal capital and in anticipation of this project being fully completed with a 3 to $1 local to Federal match, $3 of port, State and city match for this infrastructure and infrastructure approaching this system compared to the Federal dollar, so our goal is to come here before you as a last resort for this final component to see the project through in fiscal year 1995 and fiscal year 1996. Thank you very much for the opportunity to testify.

Mr. APPLEGATE. Thank you very much, Mr. Muller. Norm.

Mr. Petri. I don't think that we have any questions. I think you presented your case very well, and considering everything, I am sure that the committee is going to be looking very strongly at your request.

Mr. DICKS. Mr. Chairman, we deeply appreciate that. I just want to say, we have had extraordinarily good cooperation from the committee staff. They have been willing to work with us and be creative and try to figure out a way to help us solve this problem. We appreciate that.

Mr. APPLEGATE. Good. Good to hear. Thank you very much.

Mr. Glickman, good to have you, Dan.

Mr. GLICKMAN. Thank you, fellow classmate. Unfortunately, you are leaving, so——

Mr. APPLEGATE. A classmate. Not an old classmate.

Mr. GLICKMAN. Fellow classmate. Not an old one.

Mr. DICKS. One of our best ones.

Mr. GLICKMAN. Mr. Dicks too. We have this special fraternity here. Well, I thank you very much and I too want to thank your staff for being extremely helpful and I will ask that my entire statement be entered in the record——

Mr. APPLEGATE. It will appear in the record.

TESTIMONY OF HON. DAN GLICKMAN, A REPRESENTATIVE IN CONGRESS FROM KANSAS

Mr. GLICKMAN. I come here to express my continued support for funding for the proposed improvements to the Doyle Creek Watershed District in Kansas. This is an area that composes about 90,000 acres in central Kansas and contains the cities of Peabody, Florence, and Walton and Harvey County, Marion County Conservation Districts, and the Doyle Creek Watershed Districts support this plan.

There is extensive rainfall in the region. There is a lot of flooding and about 20 years ago the citizens of the district developed their general plan in order to control flooding along Doyle Creek.

If it were not for the existence of small confinement ponds now, you recall the flooding that occurred in the Midwest last year, there would have been disastrous flooding there but those ponds proved their value. The completion of the watershed project is nec-

essary to prevent future flooding, improve water quality, decrease agricultural losses, and enhance recreation.

To complete the project, the watershed needs $2.041 million in Federal funds under Public Law 834566. The funding would be used for improvements to the watershed and construction of six flood water retarding dams.

Floods have occurred in every month of the year in the district causing damage to local communities, farmland, and the environment. This is a very significant agricultural area of wheat, corn, row crops. The flooding has caused spills and some environmental damage, so I am not going to read the entire statement, but one of these projects that has significant benefit, this is one of these projects.

It is one of the things people ask me, when they show cynicism about government, I say, well, this is government. We keep agricultural land from washing away, particularly when there is a lot of local support over the years, two decades of local support for this thing, and there has been help already in the past. They just want to make sure that it is modernized and expanded, and I come here to ask your help in getting the committee approval for it.

Mr. APPLEGATE. Okay, thank you very much.

[Mr. Glickman's prepared statement follows:]

TESTIMONY OF REPRESENTATIVE DAN GLICKMAN BEFORE THE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT
JULY 26, 1994

Mr. Chairman, members of the Committee, I want to thank you for allowing me to testify today. I am here to express my continued support for funding for the proposed improvements to the Doyle Creek Watershed District in Kansas. The Doyle Creek Watershed District, located in central Kansas, encompasses 87,784 acres of land in Harvey and Marion counties and contains the towns of Peabody, Florence and Walton. Sponsors of the project are the Harvey County Conservation District, Marion county Conservation District and the Doyle Creek Watershed Joint District. Because of the extensive annual rainfall characteristic to the region, the citizens of the district developed their general plan nearly 20 years ago in order to control flooding along Doyle Creek. Last summer's disastrous flood is a prime example of how the project has proved its value. If it were not for the existing small confinement ponds, the district would have experienced significantly greater flood losses. The completion of the watershed project, however, is necessary to prevent future flooding, improve water quality, decrease agricultural losses, and enhance recreation. To complete the project, the Doyle Creek Watershed needs $2,041,000 in federal funds under Public Law 83-566. The funding would be used for improvements to the watershed and the construction of six flood water retarding dams.

CURRENT PROBLEMS

Floods have occurred in every month of the year in the Doyle Creek Watershed District, causing damage to local communities, farmland and the environment. Flooding results in about $236,000 of damage to cropland, roads,railroads and residences annually. Damages caused by early season floods often result in far-reaching agriculture damage. After a flood, fields need to be retilled and crops replanted, requiring the need for additional fertilizers and herbicides. Miles of fence are destroyed and stock-water storage tanks are frequently damaged. Grain elevators, fertilizer storage tanks, and warehouses are also subject to flood damage. Long-term soil losses are estimated to be around $40,000 a year.

Floods also wash away road surfacing and scour road shoulders. Eleven major bridges span across the flood plain as well as asphalt roads and railroad track. During and after floods, residents are limited in the number of roads that they can use to safely cross Doyle Creek and traffic on U.S. highway 50 is often detoured around flooded areas, causing inconvenience to all residents in the area.

Private homes are affected. Twenty-two homes are located on the flood plain. In the past, floodwater has reached five to six feet deep in some homes, causing peoples lives to be at risk. In addition, several businesses in the district, such as an auto shops, a cafe, to a senior citizens home are threatened by flood damage.

EFFECTS OF IMPROVEMENTS

The installation of the proposed improvements in the Doyle Creek Watershed plan will have a major impact on preventing the frequent flood damage to the region. According to the Environmental Impact Statement, the six floodwater retarding dams will reduce the frequency, discharge, depth, area, and velocity of flood flows. The proposed plan is

expected to reduce annual flood damage on the flood plain area by 31 percent.

The project will increase agriculture income in the area. Transporting, processing and marketing of agricultural commodities will be more reliable and accessible. Farmers will be able to plant higher income crops in areas that are now planted with flood-resistant crops. Damage to fences, livestock, bridges and roads will be reduced. Flood damage to homes, businesses and public buildings in the town of Peabody alone will be reduced by 33 percent.

If the project is completed, the watershed district will be able to improve water quality problems. Sediment is expected to be reduced 23 percent, improving water quality to 63 miles of perennial stream. Furthermore, sediment reduction will also increase the aesthetics of the area. The finished watershed will also provide increased recreation from new fishing opportunities created by the proposed dams. Stream bank stabilization, increased wildlife habitat and timber are expected to be long-term benefits when the project is completed.

Floods can be devastating and life altering to communities. The proposed improvements to the Doyle Creek Watershed are vital to the residents in the district. The people in the district have spent a great deal of time and energy on this project. The appropriate funding is needed to implement the plan so the people in Marion and Harvey county can be prepared for, and can prevent future damage from floods. The completion of the project will no doubt, help protect the property and lives of many Kansans. Thank you for allowing me to testify on behalf of this critical project.

Mr. APPLEGATE. Mr. Petri.

Mr. PETRI. I would like to thank you. We have had the opportunity to work on some aviation issues and this is another area——

Mr. GLICKMAN. And I thank this committee for its help on the small airplane bill as well.

Mr. APPLEGATE. Right. We thank you for appearing before the committee. I don't think there should be any particular problem with it.

Mr. GLICKMAN. Thank you.

TESTIMONY OF HON. TOBY ROTH, A REPRESENTATIVE IN CONGRESS FROM WISCONSIN, ACCOMPANIED BY BRUCE BAKER, DIRECTOR OF WATER RESOURCES MANAGEMENT, DEPARTMENT OF NATURAL RESOURCES, STATE OF WISCONSIN AND MARIGEN CARPENTER, MAYOR, CITY OF NEENAH, WI

Mr. APPLEGATE. Okay, we have our very good friend, Toby Roth, great State of Wisconsin, accompanied by Bruce Baker Director of Water Resources Management, Department of Natural Resources, State of Wisconsin and Marigen Carpenter, Mayor of the city of Neenah, Wisconsin.

Mr. ROTH. Thank you, Mr. Chairman, and we are delighted to be here this morning, and I just want to underscore it is true, I am your very good friend, especially when I appear before this committee.

Mr. Chairman, I am here today to urge you to include the Lower Fox River Sediment Remediation Project in the water resource legislation currently under consideration. You know, Mr. Chairman, you and I have talked about this before. And I want you to know, I appreciate the work you have done, and the consideration you have given this project.

It is truly an innovative project. It brings together the cities, the affected industries, and the regulators to create a new approach that I believe will result in a quicker and a more cost-effective cleanup of the Fox River. Basically that is my interest in it finding a more cost effective way of doing the job.

At a time when environmental initiatives seem to generate more conflict than cooperation, the Fox River Coalition and the Lower Fox Sediment Remediation Project offer a real alternative.

The lessons we learn in the Fox River Valley can be applied throughout the Great Lakes and around the country. This project is important to my district and to the district of my colleague on the dais, Congressman Petri. Governor Thompson of Wisconsin also strongly supports this project.

I urge you, Mr. Chairman, and Members of the committee to authorize a Lower Fox River Sediment Remediation Project. I am very pleased also to have with me, as you introduced before, Mr. Chairman, Bruce Baker of the Wisconsin Department of Natural Resources and Marigen Carpenter, the Mayor of Neenah, who is doing such an outstanding job and who is very conversant also with this project, and I am going to ask them to give greater detail of the project to the committee.

Thank you, Mr. Chairman.

Mr. BAKER. Thank you, Mr. Chairman. My name is Bruce Baker and I have submitted written testimony with amendments, and I request that the written testimony with amendments become part of the record.

Mr. APPLEGATE. Your statements will be made part of the record without objection.

Mr. BAKER. Thank you. In the interest of time, I would like to just highlight the key features of my testimony and really answer the questions of why the Fox River and what are we trying to accomplish in this area.

I strongly believe that this project and cleaning up contaminated sediment is a unique opportunity for the subcommittee, I think for the Congress and also for the Nation. Never before has there been a project that I think has all the ingredients to provide some answers to key, and I think, critical water resources environmental policy issues facing the country.

First of all, this project includes a cleanup of PCBs, an issue that we are all familiar with, an important issue to be resolved. It is a system-wide river remediation project. It is a demonstration and will include a demonstration of the environmental benefits of cleaning up a system, and evaluation of how the river responds to such a cleanup.

We are looking at removing these sediments and these contaminants from the system. This testing, the fresh new approach that we have come up with with the Fox River Coalition, which the Congressman referred to, which I think is very unique and has a partnership of all the key actors is I think a good example of reinventing government.

We also have tremendous leadership at the local level that I think tends to integrate the various Federal agencies in a way that we rarely see. Why the Fox River? Well, let me just go through quickly a couple of issues or points that I think emphasize the importance of picking the Fox River for this national demonstration project.

It is one of 43 areas of concern on the Great Lakes that have been identified by the international joint commission and EPA. It represents one of many contaminated sites throughout the Nation. It is the largest source of PCBs to Green Bay and a significant source to Lake Michigan. Also, this is an area where Wisconsin has been very aggressive in implementing the Clean Water Act.

We have done a remarkable job, I believe, in cooperation with other parties to clean up the other sources. It is the first area in the Nation to have an approved remedial action plan for dealing with contaminants in the harbor. Also, I think this is probably the unique feature that we want to build on, there was a $14 million Federal and State mass balance study which has identified what is happening in this system.

From that study, we have been able to develop a premiere world class data set on PCBs. We also identified that there are 7 million cubic meters of contaminated sediment and 3,000 kilograms of PCBs in the 32 miles upstream of the De Pere dam and another 40,000 to 20,000 kilograms in the lower miles of the stream.

Also, we are faced with the problem of contamination from PCBs in this area. In fact, this week we will be issuing an emergency fish

advisory in Green Bay on white perch, restricting the consumption of this species.

Timing is a critical issue and that is one of the things that this project has. We have done a lot to prepare for an implementation project and timing is such that if we don't move now, we are facing the possibility of never being able to capture these PCBs because they will be washed out into Green Bay and into Lake Michigan, and, at that point in time, they will not be able to be recovered and remediated.

If we don't act, we are looking at a situation where we are going to face health problems over the next century with no action. There are other reasons, which in the interest of time, I won't go through. They are in the written testimony, but let me just summarize what we are seeking.

At this point in time, what we would like to do is to have a $30 million authorization over six years to match local money which will include both State government, local government, and private industry as part of the total project costs.

What we will provide in response to that is not only an excellent project, but also a national demonstration analysis and provide a report to this committee on the results of cleaning up such a river and the environmental benefits that occur from such a project.

I would like to just share a little bit of my time with Marigen Carpenter, who is a member of the Coalition and she can relate to this unique feature of the cooperation and involvement of many parties in this project.

Ms. CARPENTER. Thank you, Mr. Chairman, Congressman Petri, Members of the subcommittee, I am Marigen Carpenter, the Mayor of the City of Neenah, which is one of a dozen of communities along the lower Fox River and notably the site of the first deposit that is targeted for cleanup.

Thirty-nine miles is a sizable stretch of a very nice river. It is a working river, providing power generation capabilities and processed water for industries. It is also a recreational river, and it has attained both fishable and swimmable standards due to cleanup efforts over the last 20 some years.

However, the fish are not edible because of the fish advisory that Mr. Baker referred to, and the problem is transportable with the PCBs into Lake Michigan at which point it becomes impossible to solve. The Fox River Coalition members whom I represent this morning are not natural allies. Business and government, environmentalists, and wastewater treatment plant operators, elected people, technical people, agency representatives, but they have come together in the belief that money is better spent on mitigation than on litigation.

The problem is not unique and investment in this initiative should help develop answers to help address similar problems in other areas of concern, but we believe that the approach is unique, and I think that the thing I should be emphasizing is that we are determined to make this approach work.

We hope that it will be, in fact, a national model. With consistent policy support from Federal agencies and Federal investment matched by local commitments and State commitments, we believe that a shared, scheduled cleanup will be possible.

We thank you for giving us this opportunity to speak on behalf of the project, and we hope that you will be able to support it as well.

Mr. APPLEGATE. Thank you very much, Mayor, and Mr. Baker, Toby.

Thirty million dollars for a demonstration project perhaps isn't a whole lot of money relative to the importance of what it means to such a large area. But let me ask you this: How many various entities are there, Federal, State, the various States and international that are involved in cleaning up and protecting the Great Lakes?

Mr. BAKER. In one of the attachments, we have a complete list of the membership of the coalition, but virtually every Federal agency that you could think of, from Fish and Wildlife to EPA to Corps of Engineers have been involved in this. They have also had all the municipalities, the counties, the industries.

This is a major location of paper mills in the United States, probably the largest concentration. We have had other industries that have been involved in this project, and it is really unique in terms of the diversity of the involvement.

We also have environmental groups that have added their support to this project, and State government where we have invested sizable dollars in doing the project and we are closely tied to the International Joint Commission, the Great Lakes cleanup efforts that are going on there and also working with other States to share information in the area. I know the Congressman is also familiar with—may want to add to the participation here.

Mr. APPLEGATE. Let me just mention this before I turn this over to Mr. Petri, being in Ohio and being—although I am 125, 130 miles from the Great Lakes, from Lake Erie, nevertheless, I am very cognizant of the importance of those lakes, particularly to those who are—whose proximity is much closer.

But what we need—I guess who is it that is going to prioritize and give us guidance as to the importance of the projects because we have a number of competing projects for the limited amount of authorization that we have, and that is the problem that we face, you know, and we want to certainly take a look at what we consider to be the most serious and what needs to be addressed first, but what we need is some guidance, some way, and who is it that is to give this committee that guidance and say, look, here is the most important thing that we—the most important project that we have?

Mr. BAKER. First of all, we are only asking for a part of this project to be federally funded to show that there is a local commitment. Also, this area has been selected as the key area for Lake Michigan because of the great number of PCBs there. That is why EPA invested $14 million in this—the one only mass balance study that they have done in the Great Lakes to develop the management techniques and the models that we can use to link them up with the cleanup project and identify the hot spots.

So this has been selected by EPA as their top priority in cleaning up Lake Michigan. The Lake Michigan plan that has been put together by EPA has identified this as the critical site, and it is really a project that is far in advance of the other projects in the Great

Lakes at this point in time because of the history of the EPA money and the local projects that we have.

We have taken care of the other sources, the point sources and the nonpoint sources. So, as I have included in the testimony, it is very unique in being in the position to be able to move ahead, and also be a demonstration project for other areas.

It has been selected in all of EPA's recommendations and the Corps of Engineers have been very active in the project there as a high priority, and we can provide you with more information on why we think this project really stands out from the other harbors.

Mr. APPLEGATE. I appreciate your commitment, your dedication to it, to what you are trying to do, and to the positions that you both hold, and so I commend you for that, and of course our good friend, Toby Roth, who is always there to look out—as well as our very distinguished sitting-in ranking Member.

Mr. ROTH. Mr. Chairman, I know that our time is at a premium because of the historic committee meeting coming in just a few minutes. I know of your interest in history and just let me say, this one is a very historical waterway. As the mayor mentioned, it is 39 miles, but it is more than that.

There is a lot of history here, and we have had this working river for well over 100 years. More paper is made along this stretch of water than any other place in the world. The first home with electricity was on the Fox River, and there is a lot of history here we are trying to preserve also, not only the waterway itself.

Mr. APPLEGATE. Good. Thank you, Mr. Petri.

Mr. PETRI. Thank you very much, Mr. Chairman. In the interest of time, I won't ask any questions, but I will just observe that while this has been characterized as a demonstration project, we are not looking for 100 percent Federal funding or anything close to that.

We are looking for Federal participation in a project of national significance, but industry, local government, and the State of Wisconsin would pay the bulk of the money. As you say, how can we prioritize?

One way of prioritizing might be to set up a national demonstration project on a tight timetable with proper criteria and let people come to the table who have some money and pay the bulk of the cost.

We are not asking for 100 percent Federal funding but 50 percent Federal funding or even less. We want to get a job done and we want to remediate, not litigate, and we think this is something in the spirit of Superfund revision that is going through this committee and it is also in the spirit of the times. We hope we get some cooperation somewhere down the road in moving this forward.

Mr. APPLEGATE. That is a lot of support to have on your side.

Mr. ROTH. Thank you.

Mr. APPLEGATE. So thank you very much for appearing before the committee. We appreciate having you here.

Mr. ROTH. Thank you, Mr. Chairman.

Mr. APPLEGATE. Well what we are going to do right now is to recess for one hour or thereabouts, until the joint session has concluded its business, and just keep a watch on what is going on and we will be back then.

[Recess.]

Mr. APPLEGATE. I think if the members of the second panel are here and would take their seats at the table, we can proceed, because as we move along, the Members will trickle in.

We have Mr. Erik Stromberg, President of the American Association of Port Authorities; Joseph Birgeles, Manager of External Affairs, Port Authority of New York, New Jersey; Victor Monz, Vice President, Marine Contracting Corporation, Dredging Contractors of America; and Lawrence Mallon or Maillon, with the Port of Richmond in California.

Gentlemen, we appreciate your coming before the committee to try to learn and try to understand some of the various problems that are out there and you are going to help us to do that. We have your full statements and they will be made a part of the record. And with that, we will begin with how I introduced you first.

Mr. Stromberg.

TESTIMONY OF ERIK STROMBERG, PRESIDENT, AMERICAN ASSOCIATION OF PORT AUTHORITIES; JOSEPH BIRGELES, MANAGER OF EXTERNAL AFFAIRS, PORT AUTHORITY NEW YORK/NEW JERSEY; VICTOR MONZ III, VICE PRESIDENT, MARINE CONTRACTING CORP., ON BEHALF OF DREDGING CONTRACTORS OF AMERICA, ACCOMPANIED BY MARK SICKLES, EXECUTIVE DIRECTOR, DREDGING CONTRACTORS OF AMERICA; AND LAWRENCE G. MALLON, ATTORNEY, PORT OF RICHMOND, CA

Mr. STROMBERG. Thank you very much, Mr. Chairman. We certainly appreciate your commitment to the enactment of WRDA 1994.

Holding this hearing is an important indication that that process is under way and we will realize successfully yet another water resources authorization bill. In fact, if I leave one message with you today, it is that it is absolutely vital for the ports of this country to complete a water resources bill in 1994.

Continual biennial authorizations, as well as adequate appropriations, are essential to the effective planning of projects and budgeting for projects by State and local governments and the commensurate achievement of their national benefits.

For the ports, the most important single step and change in law that we have identified that we would like to see implemented in WRDA 1994 is to address the needs for cost sharing dredged material disposal areas, including confined in-water and upland disposal facilities. Dredging is an issue that often gets in the headlines but the real nub of the dredging problem is in dredged material disposal.

Federico Peña, the Secretary of Transportation, said it is a miracle every time a port dredging project is brought to fruition. I think you will agree with me that we cannot afford to rely on miracles to assure the essential movement of cargo through our Nation's ports. The Secretary convened an interagency working group on the dredging process and we are certainly hopeful that that group will come up with some meaningful regulatory reform, however, regulatory reform alone will not solve the dredging crisis. We need legislative change.

I don't think I need to tell this committee what is at stake in resolving the dredging crisis to assure effective development and maintenance of our national port system.

Consequently, AAPA, joined by maritime interests, business and labor, has called for the adoption of a national dredging policy. We need to facilitate the timely and cost-effective dredging of our Nation's navigation channels. I have enclosed a copy of our proposed policy on the national dredging needs with my testimony and urge you to include it in the record.

Last spring we received a letter from President Clinton who called on Federal agencies to redouble their efforts to find a solution to the dredging problems, and I have also incorporated that letter in my testimony as well.

We recommend, in connection with our national dredging policy proposals—two sets of legislative changes, and both fall within the purview of this committee. We are encouraging amendments to the Clean Water Act and the Ocean Dumping Act to provide for consistent and expedited approval of dredging, separate from the Section 404 wetlands provisions of the Clean Water Act, for the discharge of dredged material from navigational dredging to approved disposal areas. We encourage the emphasis on the prevention of pollution that may contaminate sediments and requiring full consideration of the use and value of the waters and channels to navigation in establishing appropriate criteria and standards.

Second, we encourage a comprehensive program under the Water Resources Development Act clarifying the Federal responsibility for siting, constructing, and funding confined and land-based disposal facilities for dredged material in connection with the construction of authorized Federal projects. We also encourage full Federal responsibility for disposal related to maintenance dredging.

Let me elaborate on the cost sharing aspects of our recommendation. Current Corps policy has ports responsible for funding construction of needed confined dredged material disposal areas if open water is unavailable. To implement recommendations of the National Dredging Policy, WRDA should be amended to provide that any CDFs or upland disposal sites that have to be constructed to accommodate dredged material associated with authorized harbor and channel dredging would be considered part of the general navigation features of the project and, therefore subject to the same cost sharing requirements as any other part of the project.

This approach reconciles the Corps' dual environmental and navigational missions and provides funds necessary to comply with Federal environmental mandates. The assumption that the Federal Government should provide the cost of disposal to insure compliance with environmental laws was recognized as far back as 1977 in enacting amendments to the Federal Water Pollution Act.

I would like here to express our support for proposals by Congressman Menendez, who, with the support of other Members on this committee, has sought to amend the Clean Water Act to improve the process for the review of dredging permits, and disposal operations. These reforms are very important and we hope the subcommittee will be able to incorporate changes in the Clean Water Act or the Water Resources Development Act to address these issues.

Changes to the Ocean Dumping Act may also be required to assure consistent and prompt review of dredging projects. It simply is the case that Federal policy, combined with State and local prerogatives, provide for an inconsistent and complex maze of regulations that neither forwards the ports' interests, nor, we maintain, the environmental interests.

We have been working with the Corps over the last number of years in some very important areas, including dredged material management, and we believe dredged material should be managed to incorporate fully its beneficial uses, as well as what we have to do with it to move it out of the channels.

The dredged material management planning initiative by the Corps, formerly their long-term management strategy, has been developed in part to address these issues. Unfortunately, too often the Corps sees disposal as its local responsibility and fails to demonstrate the leadership necessary to build a consensus and develop realistic disposal recommendations.

We must find practical, implementable, environmentally responsible plans for dredged material in the short and the long run. Federal leadership is especially critical with regard to the material said to be contaminated. First and foremost, there is a needed focus on pollution prevention.

We support the efforts of committee Chairman Mineta, yourself, Mr. Oberstar, and Mr. Boehlert who have been trying to focus attention in the Clean Water Act on control of nonpoint pollution runoff. We must control these sources of pollution if we ever hope to be able to clean up the sediments in navigation channels.

Let me address briefly the partnership we have had with the Corps—I should say that has been expanded with the Corps in 1986 with the growth of cost sharing. It took on new dimensions in 1986, but we believe that we have a long way to go before we can call that partnership a success.

There seems to be too much of a culture under the old regime and no recognition of the role the ports now play with their increased cost sharing responsibilities, but we have been working increasingly with the Corps, including this year when we had seven regional meetings.

We are developing a new project cooperation agreement for navigation projects and we are involved with the Corps' ongoing efforts for needed restructuring and reorganization. I would like to thank the Acting Assistant Secretary of the Army, John Zirschky, Chief Art Williams, and Director of Civil Works, Stan Genega, for their personal initiative and support of these programs.

Finally, let me mention the Harbor Maintenance Trust Fund. I realize that those issues are not entirely within this committee's jurisdiction, but I should let you know our views on this because it tends to be a very tough issue for the ports.

The tax, as you know, was originally enacted in 1986 at .04 percent to cover up to 40 percent of maintenance dredging. It was more than tripled in 1990 to cover—actually more than tripled in 1990 to cover up to 100 percent of maintenance dredging. The tax is an ad valorem tax paid by the shippers. We have objected to these tax increases as excessive and it seems that our concerns have been realized.

Last year there was over a $300 million surplus in the fund and it continues to grow at an alarming rate. Consumers and exporters, as a result, bear unnecessary costs in transporting goods and doing business in U.S. ports. We support a rollback of the tax to a level that will provide funding necessary to pay for the operation and maintenance of the Nation's deep draft navigation system. Surpluses from the trust fund should be spent down and limited to uses assignable to maintain navigation as provided in the Water Resources Development Act of 1986.

To conclude, we must continue to invest in an improved and efficient water transportation system. I cannot emphasize strongly enough AAPA's support for action this year on the water resources bill.

Again, thank you very much for the opportunity to testify before you today.

Mr. APPLEGATE. Thank you very much, Mr. Stromberg.

Mr. Birgeles. Did I get that right?

Mr. BIRGELES. Yes, sir. Good afternoon, Mr. Chairman, and Members of the subcommittee.

I am Joseph Birgeles, Manager of External Affairs at the Port Authority of New York and New Jersey. I am representing Stanley Brezenoff, our Executive Director who was unable to be here today as he had hoped to offer our thoughts regarding Federal dredging policy and the port's particular requirements.

Like other ports, the Port of New York and New Jersey has faced significant problems involving the Federal regulatory process, poor sediment quality and the need for intermediate and long-term disposal strategies. Some solutions are to be found at the regional level, but we look to the Congress for assistance because we find Federal law and regulations lacking and, as such, contributing to a crisis situation in our port that has already resulted in the loss of cargo to our competition in Canada.

We hope that the subcommittee will address issues that include the duration of the permit process, the sources of contamination, and the strengthening of the Federal role in affording environmental suitability sediment management strategies.

Our recent experience in obtaining a maintenance dredging permit has helped illuminate problem areas in the Federal regulation. The permit process should have taken one year, but it took over three years, and it was a $1 million estimated maintenance dredging project that escalated to $17 million prior to completion.

There are approximately two dozen permits that are still outstanding and awaiting approval. Among the problems that we have identified, some of them are as follows: The applicants for the dredging permits have been subject to a conflicting and confusing permit process, regulations that do not conform or are developed as the process is going along. Government capacity to manage contaminated sediment has not kept pace with advances in detecting trace levels of contamination, despite extensive studies and congressional mandates. It hasn't been until this year that some progress has been made regarding new disposal and cleanup strategies.

The Port Authority of New York and New Jersey has joined with the AAPA to seek a national dredging policy, as stated by Erik

Stromberg, to improve the permit process. Legislation prepared by Mr. Menendez would make improvements and we recommend that the subcommittee support such an approach.

Mr. Chairman, a major flaw in the present policy is with regard to the dredged material management course. Most dredge in the United States is done in Federal channels by the Corps of Engineers on behalf of the Federal Government.

However, since 1986, the Water Resource Development Act, the Executive Branch has asserted that the disposal facility costs are a non-Federal responsibility. This is a short-sighted view that discourages the development of more environmentally suitable approaches for the management of contaminated dredged materials.

The law should be altered to require Federal funding of containment facilities for construction. While a national dredging policy is important to address problems that we face in the Port of New York, there are additional recommendations I would like specifically to make regarding the Port of New York and New Jersey. In the interest of time, I will mention only two and refer the subcommittee to our statement as to the others.

The first one is the 1986 act authorized the deepening of the Kill van Kull and Newark Bay Channels to 45 feet. It is presently at 35. The first phase of that project to a depth of 40 feet is nearly complete. We expect it to be complete the latter part of this year, however, because of geological conditions not anticipated by the Corps of Engineers in their original survey, the project needs an increased authorization for appropriation to bring it to completion.

In addition, the second request that we have is the 1992 Water Resource Development Act authorized a project for the decontamination of sediments from the Port of New York and New Jersey. The purpose of the project is to identify technologies that might be employed for the management of certain dredged materials. This could be used by any port in the country. I respectfully ask that the authorization be increased by $10 million.

Mr. Chairman, we in the New York Harbor will continue to be faced with a crisis until something is done to address the problems to which I have referred. Changing Federal policy is key to solving several of these problems, and again, the problems are not unique to the New York area.

Lastly, I would like to note that we are grateful to the Members of our congressional delegation, some of them Members of this committee who are actively engaged in addressing the permanent disposal problems.

Thank you for giving me this time.

Mr. APPLEGATE. Thank you very much, Mr. Birgeles.

Mr. Monz.

Mr. MONZ. Good afternoon, Mr. Chairman. My name is Victor Monz III, Vice President, Marine Contracting Corporation, Lorain, Ohio.

I am testifying today on behalf of the Dredging Contractors of America, the national trade association of the marine construction and dredging industry. DCA was founded last year in a merger of the small business dredging association and the National Association of Dredging Contractors. Our members perform more than 80 percent of the Corps of Engineers' contract dredging and 100 per-

cent of the private hopper dredge workload. With me is Mark Sickles, DCA's Executive Director.

I just wanted to add, as a lifetime resident of Ohio, I would like to take a moment to say thank you to you, Mr. Chairman, for your outstanding service here in Washington for the people of our State. You will be missed after this year. We appreciate all you have done.

Mr. Chairman, we thank you for holding this hearing and would like to communicate to you in the strongest possible terms how important this bill is to our livelihood and to the Nation's transportation infrastructure and overall competitiveness.

In our business, the Corps' construction program is the foundation of the marketplace. Although by historic standards this may be a modest bill, it is very important that the two-year authorization cycle be maintained. With cost sharing partners active in the study process and ready to participate financially in construction, the credibility of the Corps of Engineers and the government is at stake.

One of the growing concerns of almost all port and navigation interests is the regulatory gridlock facing dredging permit applicants. DCA strongly endorses the American Association of Port Authorities' call for a national dredging policy. At the root of the problem is a divided Federal family. A formal acknowledgment of the importance of our ports to the national economy at the highest level is a fundamental starting point in beginning to break this gridlock.

At our end of the project formulation and approval process, the future is not bright. Endless studies, analyses and a lack of a definitive, rational decision-making process are contributing to the destruction of a very capital intensive industry. Last year the third largest company in the industry was forced out of business. Three years ago the second largest company on the West Coast met a similar fate. Unemployment within the ranks of our exceedingly skilled and uniquely trained work force is painfully high.

Since most of the debate and delays are over where to relocate dredged material, a better process for disposal site selection is needed. Each Federal and State resource agency responsible for the protection of a single resource or receiving media tends to protect their resource at the expense of the best overall environmental decision.

Often there is no agreed upon risk-based decision making strategy for handling sediments of varying quality, the vast majority of which is clean and indistinguishable from the upland soils from which it came. To help solve this problem in a practical way, DCA strongly supports policy changes that would encourage the construction of confined disposal facilities.

By definition, these facilities require the filling of State-owned bay or river bottoms and thus require very strong leadership at the State and the local level. We also support the greater use of dredged material for beneficial purposes. The Corps has done an admirable job of utilizing the soil beneficially when the cost is the same and/or slightly greater than traditional disposal methodology. Often, however, the beneficial use alternative is more expensive. There is great potential to accomplish more habitat and wetlands restoration if the necessary funds were available.

We commend the administration for initiating the Interagency Task Force on the Dredging Process and are hopeful that the effort will produce tangible results. In order to make sure we are moving in the right direction, however, we wholeheartedly support the Clean Water Act amendments, proposed by Congressman Menendez.

These amendments would help clarify Section 404 with respect to the regulation of dredged material. After years of judicial and administrative interpretation, Section 404 has become a wetlands regulatory program, not a dredged material management program. We respectfully request that you support his amendments as part of this legislation since the prospects for a Clean Water Act reauthorization appear dim.

In addition to the regulatory gridlock unnecessarily devastating our industry, the government operates a fleet of expensive noncommercial dredges which when operated full time consume a inordinate share of the overall market which has declined. This is particularly true in the seagoing hopper dredge segment where the government spends more than $50 million to operate just four ships.

By comparison, the entire market for the 15-ship private fleet is approximately $65 million. Until fiscal year 1993, these government hopper dredges consumed approximately 40 percent of the available work with about 20 percent of the Nation's hopper dredge capacity. The other 80 percent of the vessel capacity in the private sector, our membership, must compete for the remaining volume.

Due in no small part to this imbalance, the largest hopper dredge in the U.S. flag fleet left the country for the Far East in 1991. It will return only when market conditions improve substantially. Hopper dredges are highly maneuverable, usually self-propelled ships which accomplish approximately 20 percent of all dredging by volume.

Hopper work is typically performed at the outer most reach of Federal ship channels where sea conditions limit the effectiveness of other types of dredge plants. My company does not own a hopper dredge. However, the government hopper dredges sometimes work on projects that could be more efficiently accomplished with the types of equipment that we do own. For example, the Corps of Engineers has not operated any hopper dredges on the Great Lakes for more than 14 years. Without these Federal Government dredges, small businesses such as ours have flourished doing the same work at a lower cost.

Mr. Chairman, this is an area ripe for saving scarce taxpayer dollars and for assuring that these dollars are spent far more wisely. We would like to work with you in the days ahead to fashion a program to limit the harm these Federal government vessels are causing to our industry and to the cost-effectiveness of this program.

I thank you for considering our views, and I would be happy to answer any questions you may have.

Mr. APPLEGATE. Thank you very much.

Mr. Mallon.

Mr. MALLON. Thank you, Mr. Chairman and Members of the committee. After having spent 11 years on the sister committee of

this committee, the Committee on Merchant Marine, and the enactment of WRDA 1986, it is always an honor and pleasure to return.

I appear this afternoon on the behalf of the Port of Richmond, California. The Richmond project for navigation was authorized in WRDA 1986, and I am here to report that Richmond basically is, in my judgment, a case study, if you will, of how to get an authorized project successfully executed.

There are two issues that I would like to raise to the committee's attention in the implementation of WRDA 1986 that I think may be subject to what we would call a course review by the committee. The first of these is the issue that has been previously addressed in general by AAPA and the other witnesses, and that is that from Richmond's point of view and other projects that I have worked with in California, the disposal of dredge material is really the critical path limiting factor in successfully prosecuting dredging projects.

Richmond basically supports having its director, Mike Powers, on the port itself having been actively involved in the National Dredging Coalition this year, and the interagency task force has been at the forefront of dredging policy reform, and Richmond supports the AAPA position that basically the Corps should include in their mandate the designation of sites for disposal of contaminated material, and in particular, combined aquatic sites and upland contained disposal facilities, and supports the position that those might be considered general navigation features and shared in the same cost sharing as project construction costs in the future and that the Corps of Engineers should maintain responsibility for operations and maintenance in that regard.

However, Richmond's problems go beyond just contaminated material. Richmond has the unfortunate distinction, I don't submit in the future it is going to be unique, in the sense that we also have a Federal Superfund project, and distinguishing Richmond from other ports that have contaminated materials from nonpoint sources, the source of Richmond's contaminated materials are known, quantified, and the responsible parties identified.

Unfortunately, Richmond has been in the position of having to coordinate, really as itself as local sponsor, the activities of both the EPA in terms of their Superfund milestones, pathway scheduling, as well as its role as local sponsor for the Federal navigation project.

Mr. Chairman, that role has become almost unacceptable and really has not produced a result from the port's point of view. What has happened in our case is basically our material has been combined with a Superfund project. The material will most likely not pass green book testing or a significant percentage of it will have to go to an upland disposal site which we don't currently have in the Bay area.

So Richmond basically needs to go beyond cost sharing for disposal facilities. Since it would appear that prospectively, Richmond will have to share a portion of the cost of disposing of contained materials, Richmond would submit that there is a gap in Federal law that needs to be filled, and that is, right now the Corps of Engineers, knowing a source for contaminants that affect a navigation

project, could recover the additional cost to clean up the material. The local sponsor cannot.

And so, Mr. Chairman, we have submitted language, and also through Congressman Miller, that basically would authorize the port as local sponsor, just procedural, to have a Federal cause of action to then, once it has identified the responsible parties, to sue for the additional cost, for example, of going from the ocean to an upland disposal site, procedural statute, right of action, but Richmond needs that. I submit there are other projects across the country that are similarly situated.

Second, Richmond would call its attention to the other critical element, what I would call a typical case study of getting a project completed, and that is the difficulty in coming up with the local share of project construction costs. Richmond originally looked at Section 208 of the Water Resources Development Act of 1986 which basically authorized local sponsors to impose some local user fees to recover part of their costs with the idea of reimbursing themselves for a portion of the cost of construction they were responsible for.

Mr. Chairman, in their present format, those provisions are completely unusable, not only to Richmond, but virtually every other port across the country, so Richmond had to pioneer a totally different approach to coming up with its local share.

Richmond has established the first special assessment district in the United States to bring in local beneficiaries, marine terminal facilities, private beneficiaries to share a portion of that cost. Since there are other projects in California, we are adapting that same principle, but it was only because of the completely unutilized Section 208 of the Water Resources Act of 1986 that forced us to do that. So in two respects basically, I think Richmond is somewhat unique, but it is also indicative of what you are going to be experiencing in other projects across the country to get them completed.

We need to get contaminated disposal—we need to have a dredged material management program, as the other witnesses have said. We need the Corps to take responsibility for the locals to accept part of the cost, however, when we know who the cause of the pollution is, they ought to be held responsible.

That is part of the national dredging policy that AAPA enunciated earlier in the year, and with respect to local cost sharing, any and all available alternatives that should be considered and should be available for local sponsors, including a revised Section 208.

Thank you, Mr. Chairman.

Mr. APPLEGATE. Thank you very much, Mr. Mallon.

Gentlemen, first of all, I just wanted to mention, and just to say thanks for the support that you appear to be giving for the substitute on clean water and the various provisions therein, and particularly maybe because of the permit issues that are involved, and of course we will continue to work with Mr. Menendez on his legislation and the related issues, and with that, let me ask you this: In your decisions presently with the EPA and the Corps, have you been making any progress at all as far as getting needed permits?

Mr. STROMBERG. I think if you asked individual ports, they would provide a slightly different and more pessimistic response.

Here I think working with the Corps and EPA headquarters, we have seen at least that there is a recognition of a problem, of a very serious problem that needs to be addressed.

There has been some progress at the Corps and the EPA. As part of Secretary Pena's initiative on the interagency working group. We expect a report to be presented to the Secretary this month, so we are eagerly waiting to see what sort of rationalized approaches to permitting, concurrent review, instead of the sequential, are recommended. But we have also seen some progress, I think, at the individual port level, port by port, as Mr. Birgeles indicated.

It is still very problematic and there just doesn't seem to be the kind of leadership necessary to push them over the top. It just goes on and on and on.

Mr. APPLEGATE. I see hands raising, so I figured there were going to be some other comments.

Yes.

Mr. BIRGELES. The fact is, yesterday we had a meeting with Congressmen Menendez, Franks, and Torricelli and Congressman Pallone in New Jersey where we were addressing this same issue and they had—they are sending a letter to the President asking him to come to New York similar to what he did in Oakland.

I must admit that EPA and the Corps have been more responsive to us, but it is probably only because the congressional people are keeping the heat on them and therefore they are looking at the problem, but what is happening is that we address it a little piece at a time. We need a solution to the problem.

We have to clean up the sources, and EPA, the State agencies that are responsible for that don't seem to have the ability or the will to really want to do that, and unless we clean up the sources, it will be a reoccurring problem, and we will have this problem for years, so we need a cleanup of the sources of contamination, nonpoint source, and we need it now, and we need a short-term solution immediately to address all of the permits that are backed up in the Port of New York.

Mr. APPLEGATE. They don't have the will to do that. Why is that, do you think?

Mr. BIRGELES. It appears to me that it is two things. One, it is a costly item. They are looking for someone to fund this type of operation. Cleanup is expensive. They are not willing to use a risk assessment analysis to determine that a lot of this material is only trace level and it doesn't require the types of operations that they are asking us to do. We just capped 500,000 cubic yards of material and the project cost us $17 million—$12 million just for the cap.

The court held that just because a cap was required does not mean that what was a trace contaminant is somehow converted into a prohibited contaminant. Thus the Corps could have deleted the capping requirement and still have permitted dumping the material into the ocean at the Mud Dump Site. In light of all the facts the abundance of caution was unwarranted and the $12 million could have been put to better use.

What we should do is look at these things and see what the risk assessment is and is this really a problem or is it a problem of our imagination, and that is what they are not addressing. They are

not ready to make the hard decisions as to what should be cleaned up and what shouldn't because we can't make it a pristine harbor.

Mr. APPLEGATE. Yes, well, that sort of gets to the same somewhat similar problems that we have now that we are addressing, this Superfund with groundwater.

Mr. Mallon, did you have something you wanted to say?

Mr. MALLON. Yes, Mr. Chairman. You have really hit on the nub of the problem. Let me give you a response from the San Francisco Bay area, not just Richmond, but the other ports on the Bay.

As the Chair knows, the Corps of Engineers approves disposal sites, but the criteria for different sites, whether it be an open ocean site or upland site set by other agencies, EPA and other State and local agencies as well. In the San Francisco Bay area, with the committee's leadership, with every port in the Bay and under the Corps of Engineers' chairmanship, there has been what is called a long-term management strategy. It is designed to be a consensus building group under Corps auspices, not too dissimilar from AAPA's effort on dredging coalition, bring everybody today. Let's address the problems commonly. Let's educate people that without dredging, you are not going to have port development. Without port development, the trade deficit is going to ever increase.

As a result of I believe the three years of the effort in the San Francisco Bay area, Mr. Chairman, it was designed to result in a range of available disposal sites from an ocean, open ocean, Section 102 or 103 site under the Ocean Dumping Act to a replacement within the Bay for Alcatraz through routine operations and maintenance-type dredging to, when necessary, in the case of contaminated material, an upland disposal site that contains a disposal facility.

Mr. Chairman, after three years, we don't have an ocean site. We have—Alcatraz is filling—my testimony refers to what I call a de facto moratorium. We are not issuing in the Corps district any new permits or renewing any existing permits for routine operations and maintenance dredging, and we have no upland disposal site. The nearest one is probably several years away in the permit process. We have no alternatives.

Mr. STROMBERG. Mr. Chairman.

Mr. APPLEGATE. Interesting, yes.

Mr. STROMBERG. We are not, I want to emphasize the fact, we are not trying to overthrow environmental regulation. What we are saying is that the system is out of balance, that individual environmental resource agencies acting with every good intention to carry out their individual mandates are doing a very good job at doing that, but nobody is looking at the overall picture. Nobody understands what the total costs are.

The implications of these individual permit-by-permit decisions don't consider our Nation's interest in trade, our Nation's interest in an efficient navigation system. We need balance. We need leadership. That is why we propose a national dredging policy beginning with some of the changes that we have recommended in our testimony today, on clean water, ocean dumping, and water resources legislation.

Mr. APPLEGATE. You had mentioned in your statement, it talked about excessive demands by States before they will certify dredging activities. Do you have some examples of what those might be?

Mr. STROMBERG. We can provide the committee with examples under water quality certification requirements, 401.

Mr. APPLEGATE. Do you have anything off the top of your head or anything that——

Mr. BIRGELES. Well, our capping experiment at the Port of New York was an example of that. That was a mandate that started with the State and was backed by the EPA of requiring a cap for trace level material because they had a concern. They didn't know whether there was really a problem. They just had a concern. And we had to agree to that concern because we want a clean environment just like everyone else.

Mr. APPLEGATE. In your testimony, Mr. Stromberg, you had mentioned—and I think that you all have referred to it or at least are certainly sensitive to it that the harbor maintenance fee is too high and that there is about a $300 million surplus.

Do you think that the excessive funds in that fund can be used for the confined disposal areas?

Mr. STROMBERG. We have——

Mr. APPLEGATE. What kind of heat would you get on that, trying to move that around to addressing other problems that would crop up?

Mr. STROMBERG. There is an ongoing debate within the port community over the use of that surplus, and we have not resolved that. There is a great deal of concern on the part of some of the ports that any use in authorized programs that have been set up using the trust fund would put upward pressure on that tax rate and they are very sensitive to this.

Nonetheless, we feel that there are appropriate uses in the area of maintenance dredging that need to continue to be expanded. We are sensitive also to the fact that there are other agencies who are looking at that surplus with a view towards pulling dollars out for what we would consider less than related uses of the fund.

We are already dealing with NOAA and NOAA's interest in pulling dollars out. They do have authorized uses of that monies, but the types of programs that they are identifying we feel go far afield and set a bad precedent for the use of those trust fund monies.

Mr. SICKLES. Mr. Chairman, if I might, speaking from the——

Mr. APPLEGATE. Yes, go ahead.

Mr. SICKLES. Speaking from the construction side of the house, we definitely would support spending the money on navigation-related items that are being neglected—needs that are now being unmet. The problem that we have, as you well know, is the scorekeeping problem. There is no way to get access to the funds. Any monies that are spent from the trust fund have to be appropriated by the appropriations committees and are counted against the spending ceilings. It is a conundrum.

Mr. APPLEGATE. Well, when you get surpluses like that and they start to build, why it has a greater effect on the deficit and so you say, well—nobody ever says it, but if you start bringing that down, then your deficit goes up and of course they will say that all the

markets are affected and everything else, which is some bull marlarkey too.

The money is there and probably should be used for at least the purposes for which it is being collected. We wrote into that with the highway trust fund and all the other trust funds, so—oh, I am sorry, Mr. Mallon.

Mr. MALLON. Yes, Mr. Chairman, on behalf of the Port of Richmond, we have focused specifically on that issue, and I have alluded to, I would call it the crisis in dredging that the Bay area has, and from the Port of Richmond's perspective, Richmond supports the AAPA supposition that the tax is too high in the first instance, particularly since 1990, and recognizing that the—this surplus is probably not likely to be rebated back to, I guess the original sources, Richmond basically in looking at the availability of that surplus says this: If it were to be utilized obviously for its first intended purpose, the maintenance of the ports across the country, but we are asking for a reaffirmation and leadership role on behalf of the Corps in terms of dealing with the management of contaminated dredged material, it would seem entirely appropriate that the surplus would go for navigational purposes. In that context, a high priority ought to be given to the Federal share, if you will, of the disposal of contaminated dredged material.

Mr. APPLEGATE. Can anybody tell me what the status of the administration's review on the ending of the Corps' dredging fleet? As a matter of fact, I guess the last two administrations have come up with that idea, and I guess it must be under review.

Is there any idea of where you think they are at this point?

Mr. SICKLES. Mr. Chairman, we keep hearing different stories—every month, it seems, there is another deadline when the Secretary or Acting Assistant Secretary is going to make a recommendation, and if I said something today, it would only be the latest rumor. So we are not really holding our breath and would like to look to your leadership to help us move forward.

Mr. APPLEGATE. More things change, nothing changes, right? Anybody else have anything else they want to address? Well, okay, I appreciate that. There probably are some more questions that we may want to submit to you and would appreciate an expeditious response.

Mr. Poshard.

Mr. POSHARD. I have no questions, Mr. Chairman. Thank you.

Mr. APPLEGATE. It has been an excellent panel and we appreciate your input, so thank you very much for appearing, and we hope that in the next few weeks or so, whatever it might take, that we will be able to put together something that will be receptive on your part and hopefully that we can make it mutually agreeable by everybody, which is an impossibility.

Mr. BIRGELES. Thank you, Mr. Chairman.

Mr. APPLEGATE. Thank you.

TESTIMONY OF WILLIAM BOWKER, EXECUTIVE DIRECTOR, KENTUCKY COAL MARKETING AND EXPORT COUNCIL, MEMBER, BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE, THE ASSOCIATION FOR THE DEVELOPMENT OF INLAND NAVIGATION IN AMERICA'S OHIO VALLEY (DINAMO), ACCOMPANIED BY BARRY PALMER, EXECUTIVE DIRECTOR, DINAMO; JOSEPH E. LEMA, VICE PRESIDENT FOR TRANSPORTATION, NATIONAL COAL ASSOCIATION; SUSAN KUPFERMAN, DIRECTOR, NEW YORK STATE CANAL RECREATIONWAY COMMISSION, NEW YORK STATE THRUWAY AUTHORITY; AND WILLIAM L. ZAUN, DIRECTOR OF PUBLIC WORKS, ENVIRONMENTAL MANAGEMENT AGENCY, COUNTY OF ORANGE, CA

Mr. APPLEGATE. Okay, we have panel number three, and we have William Bowker, Executive Director, Kentucky Coal Marketing and Export Council representing DINAMO; and Joseph Lema, Vice President for Transportation, National Coal Association; Susan Kupferman, Director of the New York State Canal Recreationway Commission of the New York State Thruway Authority; and William Zaun, Director of Public Works, County of Orange in California.

I hope I got all the names right, and if I didn't, you will at least know who it—who I am referring to. Not with us is William Schatz, General Counsel, Northeast Ohio Regional Sewer District, but somebody here to cover for him? And of course we have Barry Palmer. I am sorry. I can't read his writing.

So, gentlemen, thank you very much for being here and Mr. Bowker, we will begin with you.

Mr. BOWKER. Thank you, Mr. Chairman, it is a distinct honor to have this opportunity to appear today on behalf of two projects of great importance to Kentucky and to the entire Ohio Valley.

I am William Bowker, Executive Director of the Kentucky Coal Marketing and Export Council, which is a 15 member advisory council consisting of coal producers, transporters, consumers, the academic community, financial community and State government, which was appointed by Governor Bertson C. Jones in 1992. I am also a member of the board of directors and executive committee of DINAMO, the Association for the Development of Inland Navigation in America's Ohio Valley. We are a regional coalition of leaders from business, industry, labor, and State government whose singular purpose is to expedite the modernization of the lock and dam infrastructure on the Ohio River navigation system.

I am here today with the DINAMO's Executive Director, Barry Palmer, to respectfully urge the support of this distinguished subcommittee for congressional construction authorization for a new 110 by 1,200 foot lock on the Kentucky Lock and Dam on the Tennessee River in Kentucky.

Mr. Palmer will address the need for a new 110 by 800 foot lock at Marmet Dam on the Kanawha River in West Virginia. We would request that our written statements be entered into the record too, Mr. Chairman.

Mr. APPLEGATE. All of your statements will be entered into the record without objection.

Mr. BOWKER. Mr. Chairman, Kentucky urges your approval of construction authorization of a new lock, Kentucky Lock and Dam, because of its great importance to economic development in west Kentucky and throughout the Tennessee Valley.

The system consisting of Kentucky Lock and Dam on the Tennessee River, Barkley Lock and Dam on the Cumberland River, and these two connected by the Barkley Canal is a major intersection on the inland navigation system.

Located some 30 to 40 miles from the Ohio River, this system connects the Tennessee River valley with the Ohio River, the Illinois, the Mississippi, and the Missouri River systems. This system is important to the economic development now and will continue to be.

In 1992, about 36 million tons of commodities were transited to this facility. About half of that was coal. We expect that in the year 2000 this will rise to about 50 million tons and the year 2040 about 75 million tons. The present single lock at Kentucky Lock and Dam is a constraint on economic development in the area.

Because of the navigation shortcomings on the Cumberland River and the projected growth in traffic in the area, we believe there is no viable alternative to the improvement at the Kentucky Lock and Dam on the Tennessee River. This project, Mr. Chairman, is of extreme importance to Kentucky, to the entire Ohio Valley and to the Tennessee Valley.

Since the TVA Act in 1933, the construction of the tandem waterway on to the Gulf of Mobile, the State and government have made a very strong commitment to economic development in this region. In this regard, I believe, it is very significant that in 1991, the Tennessee Valley Authority Board Chairman at that time, Marvin Runyon, wrote to Dr. E. Edward Dickey, the Acting Secretary of the Army for Civil Works, recommending that the U.S. Army Corps of Engineers request congressional authorization and funding for the new lock, as well as design and construct the project.

TVA would commit to retaining the responsibility for technical assistance, review and approval of the new lock's final design plans and plan construction phases. Included with the letter was a Memorandum of Agreement formalizing the request which was signed by Dr. Dickey on May 10, 1991. The Chief of Engineers approved and signed the final feasibility report of the Nashville District Engineer in June of 1992.

Mr. Chairman, this is a very important project to Kentucky, to the entire Ohio Valley and to the Tennessee Valley, and we appreciate this opportunity today to speak on its behalf. Thank you.

Oh, Mr. Chairman, Barry Palmer, if it is all right with the committee, will address the need for the new lock and dam at Marmet in West Virginia.

Mr. APPLEGATE. Okay. All right.

Mr. PALMER. I know you asked me to be brief, Mr. Chairman. I will just urge support of this committee for congressional authorization of the Marmet Lock Project, a new 110 by 800 foot lock in Marmet. The problem on the Kanawha River is that coal traffic on that river has been explosive during the last decade. It is up to 21 million tons. There are as many as 48 hours of delay at Winfield. There are six hours of delay now at Marmet and when the Winfield

project is fully constructed, succeeding the Robert C. Byrd locks, all this traffic is going to move further down into the Kanawha River Valley. So we have got a terrific capacity problem there.

The report I think is backed by the administration, and we urge your support for congressional authorization of that project, and thank you for the opportunity for us to be here today.

Mr. APPLEGATE. Okay.

Mr. Lema.

Mr. LEMA. Thank you, Mr. Chairman. Mr. Chairman and Members of the subcommittee, I am Joe Lema, Vice President for Transportation of the National Coal Association.

It is a special privilege to appear before this subcommittee today and particularly, Mr. Chairman, in view of the fact that you represent a great coal producing State, Ohio, and Mr. Poshard, another great coal producing State, Illinois.

I am appearing before you today to urge the authorization of construction projects needed to replace obsolete, inadequate locks and dams on the Kanawha River in West Virginia and on the Tennessee River in Kentucky.

Specifically, I urge authorization of construction projects that will incorporate an 800 foot by 110 foot lock chamber at Marmet and a 1,200 foot by 110 foot lock chamber at the Kentucky Lock and Dam. The U.S. Army Corps of Engineers has determined that such construction is well justified, and has established that the Marmet Lock and Dam project has a 2.1 to 1 benefit cost ratio and the Kentucky Lock and Dam project has a 1.7 to 1 benefit cost ratio. In other words, both of those projects represent sound investments.

Beginning in 1986 and continuing at the present, there has been substantial progress in replacing deteriorated, under-capacity locks and dams with modern facilities having increased navigation capacities to relieve barge congestion and to suitably accommodate barge traffic demand for today and the coming years through the leadership of this subcommittee in the biannual project authorization process. The two new projects supported by the coal industry and several of the previously authorized projects are on principal coal-carrying waterways, including the Ohio, Mississippi, Kanawha, Monongahela, Warrior-Tombigbee and Tennessee Rivers. These rivers and their tributaries carry more than 185 million tons of coal annually and are expected to carry up to 220 million tons annually in less than 10 years, an increase of 20 percent.

Authorization of the Marmet lock and dam project is particularly necessary and timely to relieve barge congestion on the Kanawha River so that the construction at Marmet will be matched with current construction of a similar 800 foot by 110 foot lock chamber at the Winfield facility just downstream from the Marmet project.

More than 90 percent of the coal tonnage on the river is originated in the Marmet pool, therefore, most of the coal barge tows must clear the Marmet lock and dam before clearing the Winfield facility and entering the Ohio River just above the Robert C. Byrd Lock and dam where new lockage capacity was recently built. From a transportation systems perspective, rather than looking only at individual navigation control points, the Marmet and the Winfield projects should be synchronized to receive full benefits from timely

construction of needed improvements at both locations on the Kanawha.

Authorization of the Kentucky Lock and Dam project likewise is especially warranted now over and above the need to eliminate costly barge congestion inasmuch as it is the gateway to the utility plants located in the Tennessee River Valley in the States of Kentucky, Tennessee, and Alabama as the river flows southerly and easterly from its junction with the Ohio River just upstream from the Ohio River's juncture with the Mississippi River.

The area where these three major rivers come together is a major hub of the waterways system and a zone where there are several modern river coal terminals that are equipped to blend coals from mines in Appalachia, the Midwest, and western coal States in order to meet utility specifications for sulfur content within strategies for reducing emissions as required in the 1990 clean air amendments. Blended coals are carried by barge to utility plants on the waterways, including the Tennessee River, on which the Kentucky Lock and Dam is a key point of access.

In summary, Mr. Chairman and Members of the subcommittee, the coal industry urges the Congress to authorize the Marmet Lock and Dam and the Kentucky Lock and Dam construction projects in the Water Resources Development Act of 1994 for three principal reasons.

First, the present barge traffic congestion at each of those locations is serious, causing significant losses not only to coal carriers and shippers, but also to consumers of electricity, recognizing that coal is the fuel of choice for generating more than 56 percent of the Nation's electricity and the costs of barge traffic congestion raise the delivered price of coal consumed by utilities.

Second, losses due to coal barge congestion will grow higher as the demand for electricity increases in the years ahead if bottlenecks are not removed at critical locks and dams on the inland waterways.

Finally, the solutions to the barge traffic congestion problems at both locations are known as a result of studies performed by the U.S. Army Corps of Engineers, studies that show that benefits to be realized from each of the projects are substantially greater than the costs to be incurred.

Thank you, Mr. Chairman, and Members of the subcommittee for allowing me to appear before you on behalf of the coal industry. I will be glad to respond to any questions.

Mr. APPLEGATE. Thank you very much.

And now Mr. Zaun.

Mr. ZAUN. Yes, Mr. Chairman, I am William Zaun, Director of Public Works, representing Orange County, California.

I am here today to present a proposal to adjust the cost sharing for the Prado Dam feature of the Santa Ana River mainstem project in California. Prado Dam was originally constructed in 1941 to provide flood protection in the Santa Ana River Basin in Orange County, California. It provided about a 200-year level of protection and was constructed at full Federal cost. By the early 1970s, the Corps of Engineers had determined that the level of protection provided by Prado Dam had been significantly reduced, perhaps down

to a level of about 70 years. And there was a serious concern over the safety of the dam in the event of a probable maximum flood.

The raising of Prado Dam was recognized as the most critical flood control project of the Corps because of the danger to the densely populated area downstream. They had estimated that damages exceeding $15 billion and the loss of thousands of lives could occur in the floodplain downstream from Prado Dam in which more than 2 million people reside.

To address this critical flood threat, Congress authorized the Santa Ana River Mainstem Project was authorized in the Water Resources Development Act of 1986. This consists of several features, the major ones being the raising of Prado Dam, construction of Seven Oaks Dam, well upstream of Prado Dam and the improvements of channels downstream from Prado Dam.

WRDA 1986 also modified cost sharing of flood control projects, mostly on reservoir projects. The raising of Prado Dam prior to WRDA 1986 would have been virtually entirely a Federal cost based on cost sharing laws in effect at the time.

However, WRDA 1986 resulted in non-Federal sponsors paying 62 percent for the Prado Dam Raising, primarily due to the high cost of lands. We believe this is well beyond the intention of Congress, particularly on a project which restores the level of protection provided by a federally-financed reservoir and which also corrects a dam safety problem.

Therefore, Mr. Chairman, we are seeking an amendment to WRDA 1986 which would result in 25 percent cost sharing for the raising of Prado Dam. This cost sharing is consistent with the policy of the Corps of Engineers in correcting deficiencies on other flood control projects where land acquisition is not a major feature.

Based on WRDA 1986, this proposed legislation would also result in the increase in the cost sharing on the Seven Oaks Dam feature and the channel work downstream from Prado Dam such that the overall cost sharing of the river project would be 25 percent.

Our proposal would reduce the non-Federal cost of the Santa Ana River project, 90 percent of which is paid by Orange County, from $487 million to $362 million. To date, Orange County has appropriated $286 million for the project and has expended $140 million, primarily on Seven Oaks Dam's downstream channel work and the preacquisition land costs associated with the Prado Dam Raising.

Mr. Chairman, this is a unique project, both in its magnitude and the fact that there is no other project like it in the country. Orange County is most anxious to complete the project. It is quite willing to contribute to the financing of it. However, we strongly feel that the 62 percent cost sharing for the Prado Dam feature, which also includes correction of the dam's safety problem, is by far more than was intended by WRDA 1986. Accordingly, we seek your support of our proposed legislation.

That concludes my remarks, Mr. Chairman. I thank you for the opportunity to appear here this afternoon.

Mr. APPLEGATE. Ms. Kupferman.

Ms. KUPFERMAN. Thank you, Mr. Chairman. Someone had indicated this morning that you have a strong interest in history, and I certainly share your interest, and in fact I am here to address this subcommittee today about a project, a very exciting project

that I am fortunate enough to be involved in, which is helping to create a new chapter in what is already a very long and rich history of the Erie Canal. I hope you will find it as interesting as I do.

Thank you, Mr. Boehlert and other Members of the subcommittee for the opportunity to appear here today to explain our request for authorization of Federal expenditures to enhance and maintain this national treasure. By way of background, in 1992, the New York State legislature transferred the responsibility for the stewardship of the New York State Canal System from the New York State Department of Transportation to the New York State Thruway Authority.

In 1991, the State constitution was amended eliminating a 100-year prohibition on canal tolls and the long-term leasing of canal lands, which really paved the way for the system to be redeveloped.

Under the leadership of the Chairman New York State Thruway Authority, Peter Tufo, a comprehensive inventory of the canal system's historic, natural and cultural assets was completed. This inventory provides a foundation for our long-term vision of the canal as an historic, cultural, and economic resource and gives focus to our goals of preserving the ecology of the canal, enhancing the appreciation of the canal as an historic landmark and magnifying its presence through appropriate development.

Constructed in the early 1800s, the New York State Canal System is celebrated in song and recognized as an historic treasure. The Erie Canal of course is the most famous, but the canal system also includes the Champlain, the Oswego on the Cayuga–Seneca Canals. This system was built, owned and operated by the State of New York. It extends 524 miles and connects the Hudson River and Lake Champlain with the Great Lakes.

The canal system also links New York City with Montreal and Toronto. The New York State Canal System was built without benefit of participation by the Federal Government, but a Federal, State partnership is essential to its future. We have a remarkable economic, historic, and cultural asset and an ambitious mandate and plan for its improvement, but the investment we need to accomplish our ambitions is limited.

Because the State legislature did not want to put undue pressure on highway toll rates, it placed a cap on the amount of bonds that would be issued for canal-related purposes. Our annual cost to just operate the existing facility takes up to one-half of the amount we can raise through bonds in any given year.

Our request of this committee is that it authorize appropriations for the New York State Canal System in the same manner that you authorized expenditures for the Illinois and Michigan Canals in your 1992 legislation. This would not be the first time that we have secured congressional authorization. In fact, in 1986, $5 million was authorized for the capital rehabilitation of the canal system. That funding was subsequently appropriated. Our needs for funding at this time include the development of an end-to-end trail system, municipal recreation projects, and capital improvements and dredging to our ongoing commercial navigation.

Mr. Chairman, we believe that investment in the goals of the New York State Canal Commission is a sound investment in pre-

serving our history and enhancing our economic future. In fact, in 1988, the U.S. Army Corps of Engineers, although it examined only a limited range of economic factors, found that for every dollar invested in the system, a return of $1.69 was realized.

Finally, I would be remiss if I failed to acknowledge the outstanding contribution made to our canal system's development made by Congressman Boehlert. He has always been most attentive to our needs on the New York State Thruway concerns and possesses a thorough and creative knowledge of the canal system and its potential.

We deeply appreciation the attention he and his staff have shown to our needs in this area. Thank you again for the opportunity to appear here today.

Mr. APPLEGATE. Thank you, Ms. Kupferman.

Let me ask you this, what you are requesting are funds for capital expenditures, as well as operating or one or the other.

Ms. KUPFERMAN. The authorization that we had in the appropriation in 1986 was actually for both capital and operating, however, the $5 million that we received was for capital. And we would be seeking a similar authorization.

Mr. BOEHLERT. Excuse me, Mr. Chairman, that is $7 million you are requesting; is that correct?

Ms. KUPFERMAN. Yes. I was referring to in 1986 we had received $5 million.

Mr. BOEHLERT. But I want the record to be clear you were not asking for $5. That would be much too modest for such a worthy project.

Mr. APPLEGATE. I assume you are supporting it.

Mr. BOEHLERT. Without objection.

Mr. APPLEGATE. Mr. Zaun, what does the administration—how did they look upon your proposal?

Mr. ZAUN. The Corps of Engineers has not taken a specific position, although district people that we talk to find it difficult to support the request frankly.

Mr. APPLEGATE. What about the total cost of the Federal share?

Mr. ZAUN. Total cost of the Federal share would be increased by about $120 million over the life of the project.

Mr. APPLEGATE. Over the life of the project?

Mr. ZAUN. That is the construction life, not the full life cycle of the project.

Mr. APPLEGATE. How long is the construction time?

Mr. ZAUN. Extends until about the year 2001.

Mr. APPLEGATE. About 2001. Okay. You, I think, Mr. Bowker, Mr. Lema and Mr. Palmer all sort of zero in on three—or two of the new locks and dams.

Mr. Palmer limits his, but he probably supports the Kentucky too, but Marmet on the Kanawha and Kentucky Lock and the Tennessee, and I can understand the problems. I have three of those big dams in my area.

I think when they built one of the first ones up around the New Cumberland Lock and Dam, it was about $65 million or whatever it was, but the advantages have been—I mean, just—just tremendous, at least to our area, so I am very sympathetic with that.

Let me ask you this: The Inland Waterways Users Board has recommended to us and the administration that the authorization for the construction of both the locks and dams be delayed so that other higher priority, I suppose, quote, unquote, "projects" can be started in an orderly process. And the board's concern is that they don't want an increase in the waterway tax.

Tell me what you feel about that and keep it clean.

Mr. PALMER. You want to go first, Joe? I think that the new Inland Waterway Users Board report is out today, and I am told—I have a copy of it. I haven't read it yet, Mr. Chairman, but I am told that with the reviews that they have undergone, even since they have testified, that they will be able to start all of the projects, five or six critical projects that we are talking about, which include Marmet, we are talking about funding locks and dams 2, 3, and 4 which are included as a new construction start in the appropriations bill this year, Marmet, the McAlpine project, the Kentucky Lock project, the Inner Harbor project down in New Orleans, that there are adequate funds in the Inland Waterway Trust Fund to start all of those projects this year—I mean excuse me, within a decade.

Part of the reason for this is that we have been working with the Corps of Engineers and all the districts in the division and here with the headquarters people to try to reduce the cost of these projects. Down at the Olmsted project, for example, we worked with the Corps to knock off about $200 million off the price of the cost of that project.

At the Marmet project, we are looking at savings in the cost of the new lock of something around $30 million, $35 million. In the lower Monongahela River project, we are working with the Corps in the Pittsburgh district to scale back the costs of that project. We are close to $200 million less than what the project is authorized.

So we are working like the devil out here in America to try to work with the Corps to reduce these project costs so we can do all of the projects. All of them are vital to the economy of the Ohio Valley, and we think that is a responsible way for us to behave.

The Kentucky Lock project, for example, we have the final chief's report a couple years ago and the Appropriations Committee has continued to fund some design and engineering on that, but we know what the constraints are in the fund and we are dedicated to working with the Corps to modernize that infrastructure in a timely and orderly way.

So I can understand how the barge and towing industry, for example, would—is concerned about user taxes and likewise I think regional economic development interests, coal, all of us are concerned about those things, but we must move forward with an orderly modernization program in the Ohio Valley and throughout the Nation.

That is really what is in the best interest of our country, so I think we can accomplish all those things and we need your help to get these projects authorized and to get them funded, and we will work with the appropriate people to get that done over the next decade, sir.

Mr. APPLEGATE. Mr. Lema.

Mr. LEMA. Mr. Chairman and Mr. Poshard, I certainly realize that the Inland Waterway Users Board is comprised of 11 very well qualified barge line and shipper representatives. I certainly don't want to say they missed the boat on this, but it is nonetheless true that both of those projects, through exhaustive analysis by the Corps, have been found to be very well justified, to get $2.10 back for every dollar spent and to get $1.70 back for every dollar spent is very good justification for proceeding now with those projects.

The coal industry was a very strong supporter of the 1986 Water Resources Development Act and we still support that legislation. We think the cost sharing provisions of that legislation were correct. We note that currently on hand in the Inland Waterway Trust Fund there is some $231 million. We know that trust fund revenues fund 50 percent of the navigation improvements at locks and dams. We know that Corps' estimates show the improvement requested at the Marmet facility is $339 million and at the Kentucky Lock and Dam, $672 million. But those improvements don't get built overnight. Those are certainly five to seven-year projects.

We have looked at the balance of the trust fund and the fact that the trust fund revenues grow on the order of $80 million per year under current traffic. We know that as these facilities become improved, and you have now accomplished four major openings, the William Bacon Oliver Lock and Dam on the Warrior-Tombigbee, the Robert C. Byrd Lock and Dam on the Ohio, the Point Marion Lock and Dam on the Monongahela, and the second lock chamber at the Melvin Price Lock and Dam on the Mississippi, there is latent traffic generation out there. There is traffic waiting to use that economic and efficient waterways system. The more traffic uses the system, the more revenue is generated by the barge fuel tax. We believe that those two projects I have mentioned, Marmet and Kentucky facilities, can be built in a 10-year span from today if we simply accept the Corps' recommendations and get them going.

So we stand with our recommendation notwithstanding views of the Inland Waterways Users Board on limiting projects. Years ago I was a city traffic engineer in Milwaukee, Wisconsin. Sometimes people would say we can get more traffic capacity on an approach to a signalized intersection if we just give it more green time. Of course God has put only 60 minutes in an hour, and you can't expand the minutes in an hour. Actually you get more basic traffic capacity by adding more traffic lanes, just as you get more barge capacity by building bigger size lock chambers to handle a towboat and its barges without breaking up that tow to pass through the facility.

I know that can't be done everywhere, but I have a hard time believing that a much lower cost project, like adding some mooring cells or lengthening a guide wall can ever get much more barge traffic through the facility efficiently compared with replacing an undersized lock. We stand with our recommendation and certainly respect the views of the Inland Waterway Users Board.

Thank you.

Mr. APPLEGATE. Very articulate. Very analogous. Thank you.

Mr. Boehlert.

Mr. BOEHLERT. Thank you, Mr. Chairman.

Just Ms. Kupferman, I want to particularly thank you for the kind words because you and I are engaged in an enterprise that I think is important. So, gentlemen, forgive me for being somewhat parochial, but I am particularly interested in the Erie Canal, which in its time started in my district. I wasn't there. It was July 4th, 1817 and at that time it was the biggest single Public Works project in the history of man.

I know you are talking about some economic and recreational type development from the—on the Erie Canal from Buffalo to Albany roughly. What type of projects are you talking about? Can you give me some indication?

Ms. KUPFERMAN. In terms of what type of traffic?

Mr. BOEHLERT. No, no, economic development activity, recreational type activity.

Ms. KUPFERMAN. Actually we are in the process of developing a whole master plan for the renaissance of the canal system and it will include both policy recommendations that will impact on the entire canal system, things like whether the canal should be designated or nominated to the State historic and the National Historic Register.

It will also include projects which are of great interest to people in terms of stimulating economic development, and they will—very widely, they will be recreation oriented. We are also trying to protect and enhance, where we can, opportunities for commercial shipping. We see those—commercial and recreational, as being compatible uses of the canal and we are trying to encourage both.

In fact, we still have tonnage that is being moved on the canal, not so much on the Erie but on the Oswego and the Champlain. So there will be a whole variety of different projects. There will be things, marinas, there will be trail projects, there will be canal parks, there will be all the services that you would need to stimulate economic activity along the canal, things like bed and breakfast, restaurants, all the different services for both bikers and hikers, as well as boaters and people who just want to come and enjoy the canal for the day.

Mr. BOEHLERT. Is commercial shipping sort of a thing of the past on——

Ms. KUPFERMAN. Actually we are doing a lot to look at commercial shipping and we think that we can, to a degree, have some success. There are some limitations, some of which can be addressed. For example, dredging.

Dredging is probably the single biggest impediment to reviving commercial activity along the canal. In fact, last year we had 14 groundings, and we see that as being critical if we want to be able to bring commercial activity back.

We also believe that—we did an extensive market survey of commercial users or potential commercial users and from that we got a surprisingly good response of people who, if the canal could be made cost competitive, would be interested in shipping product along the canal.

So we are trying to look for intermodal opportunities. There are a number of historic canal terminals that exist and we are looking at, in our master planning process, what we should do with them. Should they be retained for commercial purposes? Do they make

sense right now in light of reinventing intermodalism as the buzz word? Do the current terminals make any sense? Does Rome, for example, should Rome be a terminal? I think people in Rome would probably say no, that they would prefer to be a recreational opportunity, but there are areas that we believe make sense in terms of hooking up truck and rail and barge transportation.

So the short answer to the question is, we think that there is some opportunity there, but we do recognize that there are impediments.

Mr. BOEHLERT. Are there areas such as technical assistance where the Corps of Engineers might be more helpful? Are you working with the Corps of Engineers?

Ms. KUPFERMAN. Yes. In fact, we have been working with the Corps on a number of things, the first of which is getting dredging permits, and we are working both with State agencies as well as the Corps to clear some hurdles and get a five-year dredging permit which, in the history of the canal, from what I am told, is unprecedented.

Additionally, I have met with the Corps, Mr. Zirschky, Zirschky, who was very helpful in discussing it, that the canal had—the Corps generally has had limited interest—or we have had limited success in gaining their interest in the canal, particularly in light of the fact that commercial shipping has been declining and they have taken a narrow point of view, but I did get, as I said, a positive meeting there about how to proceed, so I think we are moving in the right direction.

Mr. BOEHLERT. That is good. I appreciate that. All right, thank you very much for your indulgence in permitting me to be a little bit parochial, but we all have to look after the home front. You know that.

Thank you very much for your testimony. Thank you, Mr. Chairman.

Ms. KUPFERMAN. Thank you.

Mr. APPLEGATE. I am a great believer in parochialism. That is okay.

Mr. Poshard.

Mr. POSHARD. Thank you, Mr. Chairman. Mr. Chairman, the back page of the testimony by the DINAMO folks that are here, if you could take that map out and take a look at it, I would like to just direct my testimony as much toward you as Chairman of the committee as toward the panel that is here.

They have pointed out the location of the Kentucky Lock, and if you look just north of that, up the river on the border—on the Ohio between Kentucky and Illinois, you see the Olmsted Lock and Dam that is currently being built.

I want to give you a little history of that dam. The Corps did an exhaustive study on the cost to benefit ratio of that dam and it came out equally high. This is an old lock and dam that was built back in the Roosevelt days to accommodate commerce on the Ohio River.

Those two old lock and dams that this new one is replacing are outmoded and they back the barge traffic up. I have represented that area for nearly 12 years now. The counties surrounding the—that Olmsted Lock and Dam on the Illinois side have traditionally

had anywhere from 25 to 30 percent unemployment. They are the poorest counties in the country, not just in the State of Illinois. They are a high minority population counties. They have some of the best workers in that area ever.

Our congressional delegation, including my predecessors, Mr. Gray and Mr. Simon before me, worked with the Corps for a number of years to bring that project on line and, Mr. Chairman, you were a part of that. You supported that effort all the way through.

The first stage of that project was bid to build a cofferdam. The cost of that cofferdam was estimated by the Corps, with no profit, to be $60 million. It was awarded to a British company, Balfor Beatty, who bid $53 million dollars, $7 million below the Corps' estimate for cost without profit.

The nearest American company bid was at $63 or $64 million for that cofferdam. The British company was awarded the contract, even though that company had tremendous cost overruns for projects for the British government. All of that was ignored and they were awarded the project.

In this country, they have an unholy alliance with a local steel workers union in western Kentucky which was an old UMWA union that they went out of existence. The signatory agreement that they signed with that steel workers union is exclusive with that union only.

Whatever they do in this country, they do it through that local because they can control that local because that local has sold out their other union brothers and sisters across this country. So what we have is a British-owned company, beginning a $100 million project on the border between Illinois and Kentucky, with American taxpayers' money and the highest unemployed area of this country; and they will not hire one single local person for this job.

We are the ones that fought for the project. We are the ones that brought the American taxpayers' money to the project. The profits for the project are going out of this country. Not a single thing is accruing to the interest of the local economy in one of the highest rates of unemployment places in this country. The steel workers in this local and western Kentucky are doing all the work on this project, not even from the area. They are doing the pile driver's work, the carpenters' work, they are doing the work of the laborers, the teamsters and everybody else associated with this job.

Now, this is what has happened on this Corps project: They knew they could underbid the project $7 million or more to get the cofferdam project because it gets their foot in the door to get the next stage, which is $360 million and the next stage after that which is $386 million dollars for the lock and the dam.

Was it needed? Of course it was needed because it will facilitate greater commerce on the river. Is this a travesty of justice? Of course it is a travesty of justice. This should never have been allowed to happen, and, Mr. Chairman, I am going to tell you something. The fight on this has just begun, and these folks are here asking for another lock and dam just a few miles away from this and another one over in West Virginia.

I am going to assure you of one thing. At least four of the five Members on this Public Works and Transportation Committee from Illinois will do everything we can to not support the funding of

these things if this is going to be another example of the Olmsted Lock and Dam. This is a shameful, shameful, shameful thing that we have allowed to happen as a United States Government.

When we can't—this has been the most obnoxious, arrogant, insensitive company that I have ever had the opportunity to talk to in my life. They could care less about the people who brought that project to the area or their economic or social needs, and if this committee allows this kind of practice to happen again on another lock and dam anywhere in this country, we ought to be ashamed of ourselves.

We have had United States Senators and United States Congressmen in this committee sit down with this company and be told we could care less what you think. We will do what we want to do in the way that we want to do it, and we will hire just who we want to on this project.

I will not support this. Nobody from the Illinois delegation, and there are four members on the Democratic side and hopefully one on the Republican side, will not support this kind of thing. If these people at this table can't stand up with us and criticize and condemn this kind of practice by corporations, whether they be British or American, then we have failed, and not one person from any of the organizations represented here or any of the business community anywhere has come to our assistance on this kind of practice.

And I am telling you, this is going to be a war, and Olmsted isn't over yet, so we can make our choices and we can do what we want to do. I know the work that was put in with the Kentucky Congress Members on this, with Mr. Barlow, with Mr. Hubbard before him and others.

Kentucky and Illinois had an absolute agreement on sharing the jobs on this project. There was no conflict with labor. Our people are good workers, Mr. Chairman, all they wanted to do was the work that they fought to bring to their area, which they deserved, and it is an absolute, absolute, travesty what has happened on a $1 billion project with American taxpayers' money, and I will never support something like this happening again.

If we can't correct it and we can't get these folks to stand up with us in correcting it, forget it. I will do everything in my power, and so will the members of the Illinois delegation to stop this, because it cannot happen again.

Thank you.

Mr. APPLEGATE. Thank you very much.

Mr. Poshard, and I am shocked myself to learn of that and I will say this: That I would—I am not going to say that I am going to support you by opposing these, however, rather than opposing necessarily based on that reason these new proposals, it seems to me that there should be some language that is inserted into these bills that would prevent that from happening, keeping in mind what we had been trying to do to get into some of the construction bids in these other countries, for instance, in Japan, because I know that we had been fighting that battle for a long time and it is just starting to get opened up.

Now, I agree with—I don't know what kind of cost overruns they have already—that has already ensued from this, but I can say

this, that I believe in American companies building American projects, but under our system, it usually has to be opened up.

Now, what we need is some kind of language that is going to say, however it is going to be written, that this does not occur again.

Mr. POSHARD. Mr. Chairman, we have done——

Mr. APPLEGATE. We could put it in here.

Mr. POSHARD [continuing]. Tremendous research on this. American companies aren't in Britain today or Japan or anywhere else trying to circumvent the local economy, trying to pull the kinds of things this company has pulled in getting projects in this country.

We are not doing that in their country and we ought not to allow them to do it in this country, and I am very willing to work with you on any language that we can get into this bill to try and prevent this, because these good people in the State of Kentucky and West Virginia ought not to be penalized. But I am telling you, our backs are to the wall and we have no choice any longer but to do the kinds of things that we are going to have to do.

You know, we have tried to talk to these people forever on this and we tried to talk to the Corps and everybody else and we get nowhere, absolutely nowhere, and we have had it. We are not going any farther down the road of trying to talk to anybody. We will just have to do what we have got to do and unfortunately you don't like to do these things, but this is wrong, what is happening here on Olmsted, it has been wrong all along and we have no one talking to us in terms of trying to get it fixed.

I will bet you, and I hope I am wrong about this, but I will bet you we don't even come anywhere close to the $53 million bid on Olmsted Lock and Dam. We already had egregious safety violations on the project.

They finally had pressure from us and hired a full-time safety director. They wouldn't have done that if we hadn't have been documenting everything on the job that they were violating in terms of the safety regulations. I mean, it has been an absolute travesty is the only way I can explain it, and, Mr. Chairman, I would be happy to work with you on this in doing anything we can to get Olmsted straightened out, but also to prevent this sort of thing from happening should we in this committee or this Congress approve these other locks and dams.

Mr. APPLEGATE. Well, I would suggest that you talk with your people, sit down and come up with some language and submit it to me, and I will say this, that it ought not to be directed just to foreign companies, but American companies, because they do that as a matter of practice in this country.

Mr. POSHARD. I agree.

Mr. APPLEGATE. These foreign outfits coming in and making the bids, that is bad enough, but I do know that American companies have done the same thing and once they get their foot in the door, they get the project and then they have these change orders, these cost overruns, and then they just submit new bills and they pay them, and so I would like to see the whole thing addressed. I will work with you on this.

Mr. POSHARD. Thank you, Mr. Chairman.

Mr. APPLEGATE. Thanks for bringing it to the attention of the committee too. That is very important.

Mr. Kim.

Mr. KIM. Thank you, Mr. Chairman, for giving me this opportunity. I just have a couple of simple questions to Mr. Zaun. The first question would be, that I understand that there is some delay on this construction. Can you elaborate or tell us why such a delay occurred?

Mr. ZAUN. I presume you are speaking about the Prado Dam feature of the project?

Mr. KIM. That is correct, I am sorry. I should tell you—

Mr. ZAUN. Really two reasons. One is the more than $200 million associated with the cost of land that needs to be acquired for the project, and the second is the inability of the State of California to make good on its reimbursement of some of the non-Federal costs associated with that project. The two of them together has resulted in this delay on the implementation of the Prado feature.

Mr. KIM. My last question to you is, this project that you are talking about, the Santa Ana River project in conjunction with the Prado Dam by raising the spillway by 25 feet, I understand, this is to accommodate a storm where the county may be submerged into water unless this Prado Dam has been raised and some kind of flood inundation project has to be done. This is a very essential project to—mostly in the southern California area.

My question to you is, I have been receiving a lot of concerns from people that said the share is out of line. I heard 6 some percent, which is outrageous. Can you tell us what percent of cost sharing are you being asked through this project and why? Why is it?

Mr. ZAUN. On that feature, Mr. Kim, it is—it is about 62 percent of the raising of Prado Dam, which was quite frankly extraordinarily high, particularly on a project that restores an original level of protection, and in fact because this is not a separable element of the proposal, it is higher than would be required by WRDA 1986.

In addition to that, the project corrects a dam safety problem that exists there, which under WRDA 1986 would be 100 percent Federal cost, so we would certainly agree with that assessment that particularly on this feature, the cost sharing is extremely high.

Mr. KIM. Mr. Chairman, for the record, I feel this 62 percent cost sharing is way too high. Such a huge project like this, how can a local government come up with the money, such huge sums of money? It will be a tremendous detriment to local government, especially Southern California is still suffering from the economic depression, and I am glad you mentioned that.

What percentage do you think is fair, in your opinion?

Mr. ZAUN. Well, we are proposing, Congressman, a 25 percent cost share on the entire project.

Mr. KIM. Thank you. Thank you, Mr. Chairman, appreciate it.

Mr. APPLEGATE. Thank you very much, Mr. Kim. We really appreciate your input. It was very, very valuable and you got a message that you are going to have to go out and help, as Mr. Poshard had mentioned, try to work with him and with us to try to provide perhaps some information towards developing some language so that these things can be protected.

As you can see, he is pretty upset about that, and I would think that the American people should also be pretty upset about those kinds of tactics.

But thank you very much for coming before the committee.

TESTIMONY OF SCOTT FABER, DIRECTOR OF FLOODPLAIN PROGRAMS, AMERICAN RIVERS; BRAD IAROSSI, CHAIRMAN, LEGISLATIVE ACTIVITIES OFFICER, ASSOCIATION OF STATE DAM SAFETY OFFICIALS, INC.; AND RICHARD MOCCASIN, EXECUTIVE DIRECTOR, MNI-SOSE INTERTRIBAL WATER RIGHTS COALITION

Mr. APPLEGATE. Okay, we have panel number four, we have Scott Faber, Director of Floodplain Programs, the American Rivers, Brad Iarossi—hope I got that one right—Chairman, Legislative Activities, Association of Dam Safety Officials, and Richard Bad Moccasin, Executive Director, Mni-Sose Intertribal Water Rights Coalition. I probably got that one wrong too. Did I get Iarossi right?

Mr. IAROSSI. It is Iarossi, Mr. Chairman.

Mr. APPLEGATE. Iarossi, okay. We will first call on Mr. Faber.

Mr. FABER. Okay. Thank you, Mr. Chairman. We appreciate the opportunity to appear before you again. As you probably recall, American Rivers appeared before you about a year ago to talk about how Congress might respond to the great flood of 1993 and of course those images are still fresh in our minds.

One of the things that this subcommittee decided to do was to move the Hazard Mitigation and Relocation Assistance Act of 1993 which has helped to move more than 3,000 homes, businesses, and farms from harm's way throughout the Midwest, and it is a truly historic response to the way that this Nation deals with the issue of flooding.

We are here today before you to talk about ways that we can continue to reform our flood control policies, because despite our multibillion dollar investment in structural flood control, the losses associated with flooding continue to increase on a per capita basis when adjusted for inflation as we continue to build our homes and businesses in harm's way.

Instead of using floodplains and their wetlands to store and slowly convey storm water, our storm water managers have sought to control flooding with practices designed to drain our watersheds quickly and then to compensate for increased main stem flooding by constructing levees. And it is still the approach used in the vast majority of current and pending flood control projects.

Given the number of homes and businesses that are located in our Nation's floodplains, there will always be need for thoughtful structural approaches, but what American Rivers and the other groups we are representing today, Environmental Defense Fund and the Mississippi River Basin Alliance, and indeed the White House task force, which has looked into these matters, the Interagency Floodplain Management Review Committee led by General Galloway, have concluded that we now need to begin to address the causes of flooding where they begin, which is in our watersheds, and I think I am quoting directly from General Galloway when he said quite simply, what happens in our watersheds affects what happens in our floodplains.

For too long we have focused on solving our flooding problems by building levees at the source of the—I am sorry, where the flooding has already occurred, partly because the Corps of Engineers hasn't had the jurisdiction to think about where are the causes, not where are the symptoms.

The Corps has tried to pursue flood control without really having all the tools that it needs to do that. What we are proposing today is a change in the way the Corps of Engineers thinks about controlling flooding. We believe that the Corps of Engineers should have the authority to engage in watershed management.

It is something that you have already given the Corps the authority to do on a piecemeal basis in some watersheds, and you see here a chart here of the—sorry, if you can't see it, Anacostia River watershed where the Corps is now currently engaged in a watershed management project. It has not quite made it all the way to completion, but the notion is—and what the Corps will wind up doing is constructing 13 storm water wetlands that will help aid flood control activities in the Anacostia watershed. Local jurisdictions have come up with an additional 380 odd restoration and flood control projects that have been developed within a basin-wide context, and this is a real departure.

What it does is it begins to address the causes of flooding, which in many cases, especially in a case like the Anacostia, are the construction of impervious surfaces, parking lots, drainage structures, and so on rather than building more levees on the main stems of our rivers.

What we would like you to do, what we would like this committee to do is to begin to give the Corps the direction to this kind of thinking in all our Nation's watersheds, so when the Corps responds to a flooding problem, it doesn't respond to that problem in isolation. It thinks about what is happening in the watershed. It calibrates with other agencies, as it has done in the Anacostia with other partners, State partners and local partners.

I think that what we have found and what certainly the Galloway task force has found is that the projects that simultaneously meet flood control and environmental objectives are those projects that restore the natural hydrological detention functions that we have, in some cases, eliminated throughout our Nation's watersheds, and we believe that that is the new direction that the Corps of Engineers should take.

Now, I wish that I could tell you that I am not here to ask you for a project, but unfortunately I will do that. A couple of opportunities have arisen because of the flooding, and one is clearly on the Missouri River. We have hundreds of people who would be willing to sell their land, floodplain farmers who have been lured into the floodplain by the construction of the navigation project who are essentially farming what used to be very active floodplain or actually part of the river. If you know anything about the history of the Missouri River, it is about a third now of its original width because of the construction of the navigation channel.

What happened after the construction was all of that water and wetland accreted. Farmers moved in and began to flood that area and now have become prone to repeated damages, not just damages associated with the flooding last summer.

Many of those farmers have said they now want to move out of those areas and what Congress did a year ago was to try and make sure the—make the emergency wetlands reserve program available for them.

Unfortunately, because of the amount of sand that got deposited on those floodplain lands, many of those farmers are not eligible, so many of them remain in a situation where they have two feet of sand covering their river bottoms and really no options.

So what we are proposing today is that Congress authorize a Missouri River floodway project that would simply acquire floodplain land using data developed and collected by this task force, this—the Interagency Floodplain Management Review Committee that the White House established, had a scientific team that went out and said, well, if you are going to acquire land for the dual purpose of reducing future flood losses and enhancing the environment, where would you acquire that? So we know where we would like to buy that land. We know where the willing sellers are. We just don't have the funds to do that now.

The State of Missouri has already made $10 million available to cost share that project. That is pledged to make an additional $15 million available. So essentially they have issued a challenge to the Federal Government, which is that they are willing to spend $25 million if the Federal Government is willing to match that with $75 million. We think that is a worthy investment, given the extent of the damage, the potential for loss, reduction in the future, and also the fact—considering the fact that so much of the riparian area, the land, the wetland habitat along the Missouri River has been lost because of the Pick-Sloan authorization.

The second request that we would make of you today requires no funding, I am happy to say. What we would like is for a change in authorization to the environmental management program on the Upper Mississippi River. We are in discussions now with the State and local activists and resource managers about how to best do this, but the general notion is that we expand the existing framework to require the creation of a river basin management team that would try to address the long-term economic, ecological, and flood loss objectives of the Upper Mississippi River Basin.

It would require simply two changes to the authorization. One would be changing the geographic scope of the existing program, the second thing it would require is simply giving the existing framework the authority to think this way, to think on a river basin scale and a direction to do so.

In the interest of time, I will just conclude by saying that there are many opportunities in the wake of the great flood of 1993 to reform our national flood control policies, and probably the greatest of these, given the change that is being proposed by this task force, is the notion of moving the Corps higher up into the watershed, allowing the Corps to engage on a national basis in activities that reverse the effects of tributary channelization and simultaneously create fish and wildlife habitat.

Thank you.

Mr. APPLEGATE. Okay, thank you, and before I go on, I just wanted to ask you, as far as the proposal that you are making for purchasing land along the Mississippi, how does it compare to the

Pick-Sloan original plan for the Missouri which apparently was a successful program?

Mr. FABER. That is right. Well, the Pick-Sloan plan included an authorization for a 3,000 to 5,000 foot floodway between Sioux City and St. Louis on the Missouri River and unfortunately that was never acted upon because there was no—there were no willing sellers, frankly. There was no interest in selling land. People, at that time, were content to stay in the floodplain.

What you are seeing now is sort of a 30 to 40-year process where people have become flooded frequently enough that they are willing to sell their land. There wasn't a willingness at the time. Based on my reading of the authorization and other readings of the authorization from folks in Missouri and Iowa, they feel like that the existing authorization, because it doesn't include language, it talks about, first of all, willing sellers, it doesn't include language that talks about the information collected by this task force and the identification of sites, that they would like a new authorization or at least an amended authorization.

Mr. APPLEGATE. Mr. Iarossi.

Mr. IAROSSI. Thank you, Mr. Chairman, I appreciate the opportunity to testify before you today concerning the safety of this Nation's 100,000 non-Federal dams.

I am the legislative officer of the Association of State Dam Safety Officials and the Chief of Maryland's Dam Safety Program. Our association includes every State Dam safety program, as well as Federal and local dam safety officials.

Our goal very simply is to save lives, protect property, and maintain the benefits of dams by preventing failures. To achieve this goal, the association, in the strongest possible terms, urges this subcommittee to incorporate, as does the proposed Dam Safety Act into the Water Resources Development Act of 1994.

The text of our proposed legislative language is attached to our written testimony. In 1986 this subcommittee clearly recognized the need to improve dam safety within the States and passed the Dam Safety Act of 1986 reauthorized at 1992.

That act authorizes the Secretary of the Army to provide matching grants to States, training for State dam safety inspectors, research programs to develop improved techniques for dam inspections, and an updated national inventory of dams.

Passage of the 1986 act and its reauthorization demonstrated that Congress recognized the problem and the solution, yet the administration and congressional appropriators failed to fund the provisions except for the national inventory.

While the inventory will provide important data on the safety of dams, by itself, it will do little to further the cause of dam safety, except to identify how many dams we have and how many still remain that are unsafe.

Today, the administration's proposed bill completely eliminates all the dam safety provisions except for the national inventory. This was an alarming step backwards for public safety.

A Federal focus is necessary because dam failures do not respect State boundaries. In addition, a dam failure could result in significant loss of life, injury, and destruction of property resulting in

major Federal expenditures from the President's Disaster Relief Fund and the National Flood Insurance Program.

Isn't it more responsible to invest in strong State programs and a strong State, Federal partnership? The cost of one dam failure, not including the cost of just one human life, could easily exceed the cost of this program.

Millions of Americans rely on dams for water supply, power generation, flood control, irrigation and recreation. Few man-made structures have the potential for causing catastrophic disasters as do dams when they fail and this country has experienced many tragic dam failures.

In 1889, the South Fork Dam failed and killed 2,209 people in Johnstown, Pennsylvania. In 1972 the Buffalo Creek Dam failed and killed 125 people. The Teton Dam failure in 1976 caused over $1 billion in damage and 14 deaths. And in 1977, failures in both Pennsylvania and Georgia killed 79 people.

In the early 1990's there were dozen of documented dam failures and seven deaths. In 1993 there were 27 dam failures in Wisconsin as a result of the Midwest floods. And in recent weeks, torrential rains have caused massive flooding in Georgia where 128 dams have failed.

The responsibility for dam safety rests almost entirely on the States to regulate 95 percent of the dams. Safety is essential to all dams, but is even more important to the nearly 93 dams termed high hazard, which means that their failure will likely cause loss of life and severe downstream damage. Even more threatening are the dams considered to be unsafe, which means they have identified deficiencies that leave them more susceptible to failure. A chart of each State is included in the end of our written testimony. Nearly every member of this subcommittee has a dam in their State.

In Ohio, there are 450 unsafe dams. In New York, there are 373 high-hazard dams, 69 of these are unsafe. And in Pennsylvania, there are 24 unsafe dams.

This country's dams are a vital part of our aging infrastructure. The dams are deteriorated, downstream development is increasing, and support for regulatory programs is lacking in many States. This situation calls for more Federal attention, not less.

We urge the subcommittee to recognize the enormous problem and consider ASDSO's proposed language which does not only confirm a Federal commitment to dam safety, it would offer cost-effective means to improve dam safety programs.

Our language contains the same provisions and funding levels, but under the leadership of FEMA, except for the National Inventory. We believe that FEMA is in an excellent position to direct this program as they are heavily involved in hazard mitigation.

They currently administered grant programs for flood and earthquake hazards which are significant causes of dam failures and they have an excellent yet small dam safety program created by Executive Order. Investment in this program up front will help prevent tragic loss of life and greater expenditures later when dams fail.

There are over 1,800 unsafe dams like time bombs across this country waiting for the right size storm, the right size earthquake

or enough neglect and maintenance until they fail. We strongly urge the subcommittee to include the association's recommended provisions in the Water Resources Development Act of 1994.

The association looks forward to working with the committee and staff on this critical public safety issue. Thank you for your time and your consideration, and I would be happy to respond to any questions.

Mr. APPLEGATE. Thank you very much.

Mr. Moccasin.

Mr. MOCCASIN. Thank you, Mr. Chairman. On behalf of the Mni–Sose Intertribal Water Rights Coalition, I want to thank you and other Members of the subcommittee for the opportunity to provide testimony on critical issues affecting water resource planning and development on tribal lands.

I am Richard Bad Moccasin, Executive Director of the Mni–Sose Intertribal Water Rights Coalition, a group representing 22 Indian tribes located in the Missouri River Basin. The protection and management of tribal water and other natural resources in the Missouri River watershed is a priority of the Missouri River tribes and the coalition.

As you are aware, the water resources of the Missouri River Basin have been extensively developed. There are 28 major reservoirs in the basin, including the third, fourth, and fifth largest in the United States. Seven hydroelectric plants generate power that is distributed to customers within and outside the basin. The water supply needs of 4 million people and their associated industrial and commercial activity are met by the river. Basin development has provided billions of dollars of benefits in flood control, navigation, and recreation.

A large share, perhaps as much as 25 to 40 percent of these benefits have been generated by the use of water originating from or flowing through tribal lands. Despite historical and legal rights to this water, the coalition's 22 member tribes have not participated fully in the benefits of Missouri River water and its development.

In fact, development of the Missouri River resulting from the Pick–Sloan plan required tribes to sacrifice over 350,000 acres of land when the main stem reservoirs were filled. These lands were often the most productive bottom lands, and provided good quality water and a stable economic base to riverside reservation communities. When the bottom lands were flooded, downstream residents were forced to uplands with a limited quantity of poor water quality for domestic, livestock, irrigation, and commercial and industrial use.

The recently released report of the Interagency Floodplain Management Review Committee documents that storage of flood waters in the six main stem Missouri River reservoirs prevented $4.1 billion in damages in the 1993 Midwest flood alone.

As the Federal Government developed the Missouri River, agencies recognized the predominance of Indian Winters doctrine rights to water in the Missouri River Basin. However, these agencies failed to uphold Federal trust responsibilities to assure development—to assure water was developed in a way that would benefit Indian tribes and their members.

Today, tribes who want to undertake water resource development are placed in a passive role, not because of apathy or lack of desire, but because such development requires technical expertise and financial resources that are beyond their present reach.

The Water Resource Development Act of 1994 could provide one vehicle for assuring that the historic failure of the United States Government to protect Indian water rights won't be repeated as water resource development in the basin continues.

Therefore, Mni-Sose urges this subcommittee to include several key provisions in this year's Water Resources Development Act, and the first of which is to amend the statute to include a five-year waiver of cost sharing requirements for water resource planning by tribes.

It is not hard to understand why Missouri basin tribes have not been able to participate. For the most part, tribes in our regions do not have the money or the budgetary flexibility to fund water resource development planning to the levels required under the act. The cost share requirements and the lack of in-house expertise, especially when the smaller tribes, precludes tribal participation, despite extension of Section 22 to tribes.

A five-year cost share waiver for planning tribal water resource projects would allow tribes to develop viable projects as they gain expertise in water resource planning. The waiver provision should require tribal participation in the project, but specified dollar amounts should be waived.

Second was to provide for tribal participation in hydroelectric power up rating. Up rating of hydroelectric generating stations through the use of new technology or better efficiency will provide additional marketable power, which will bring in additional revenues. The additional power or the revenues derived therefrom should be allocated to the tribe.

The Water Resource Development Act should include provision that is tribes be allocated the power or revenues derived from marketing the power resulting from upgrading of hydroelectric power projects.

And lastly, Mr. Chairman, the Mni-Sose has asked the committee to provide a grant to Mni-Sose for tribal water resource planning. Twelve of the twenty-eight Missouri basin tribes lack water resource programs. Tribes that have programs lack adequate funding, expertise, and technical data analysis capabilities to compete for Corps resources in the Missouri River Basin.

Mni-Sose Intertribal Water Rights Coalition could provide the necessary technical services and serve as an intermediary between the Army Corps of Engineers and tribes to plan and develop water resources on Indian lands in a prudent and culturally appropriate manner.

We have made it clear above that we encourage greater participation by the Army Corps of Engineers in tribal water resource development. We do, however, want to assure that water resource planning and construction activities not only build beneficial and economically feasible projects, but also enhance tribal capabilities.

Mni-Sose estimates that $500,000 per year would fund our technical services center to provide water resource information, current

water resources techniques and practices and experienced professionals to assist Missouri River Basin tribes.

Mni-Sose identified a source of revenue for this grant in the additional marketable power available from the up rating of hydroelectric power generating facilities.

In conclusion, the Water Resources Development Act should include a $500,000 grant for Mni-Sose's technical support center to enhance tribes' water planning activities.

Thank you, Mr. Chairman.

Mr. APPLEGATE. Okay, gentlemen, thank you very much. I appreciate your coming before the committee. We have your testimony, and it will be made a part of the record and we—I can't say we are not in sympathy.

We definitely are sympathetic with what it is that you are proposing, and we hope that we are able to work something out with the Indian tribes in the Missouri Basin, and I don't think that the request is that outlandish at all, but we may have some further questions that we may want to submit to you and we would ask that you get back to us as expeditiously as possible. We thank you for being here. And so the meeting is adjourned.

[Whereupon, at 2:25 p.m., the subcommittee was adjourned.]

PREPARED STATEMENTS SUBMITTED BY WITNESSES

Testimony Before the U.S. House of Representatives
Committee on Public Works and Transportation
Subcommittee for Water Resources

SUBJECT: CONTAMINATED SEDIMENT REMEDIATION DEMONSTRATION

by

Bruce Baker
Director, Water Resources Management
Wisconsin Department of Natural Resources

July 26, 1994

Mr. Chairman, members of the Subcommittee, my name is Bruce Baker. I am the Director of the Bureau of Water Resources Management of the Wisconsin Department of Natural Resources. I am here today representing the Department, and a Coalition of public and private entities in Wisconsin organized to bring about the remediation of a major tributary to Lake Michigan.

Let me take this opportunity to thank you, the members of the Subcommittee and your fine staff, for the ample consideration you have given to supporting State and Federal partnerships in implementing water resources management initiatives to the betterment of water quality and quality of life for Great Lakes region citizens.

Since the passage of the Great Lakes Water Quality Agreement and its amendments of 1987, Wisconsin has been aggressive in developing and implementing remedial action plans, and working with other States to achieve improvements at contaminated rivers, harbors and bays across the region. Sediments contaminated with toxic substances which bioaccumulate through the food chain are a significant source of pollutants to waterways across the nation and a problem common to most of the 43 identified "areas of concern" across the Great Lakes. Today, I want to alert you to an opportunity to demonstrate a significant sediment cleanup in a model of public/private collaboration that could be applied across the nation.

I. LOWER FOX RIVER SEDIMENT REMEDIATION DEMONSTRATION

Environmental Concern

A U.S. EPA-led research effort, the Green Bay Mass Balance Study, (GBMB Study) was conducted from 1988 to 1992. The study characterized the presence and fate of polychlorinated biphenyl compounds (PCBs) in the Fox River and Green Bay and produced probably the best data set on PCBs in the world. PCBs accumulate through the food chain from fish and wildlife to humans and can cause reproductive impairments,

hormonal changes, and potentially, cancer. PCBs and mercury, a bioaccumulating heavy metal, result in fish and waterfowl consumption advisories for the Lower Fox. We currently have a ban on the sale of some commercial fish species because of elevated levels of PCBs in fish tissue. Other heavy metals in the sediment contribute to degraded environmental conditions as well. These toxic chemicals are transported daily to Green Bay, and Lake Michigan, and a portion volatilize to the atmosphere for distribution to the Great Lakes airshed.

PCBs are a class of chemical compounds used during the 1950's and 60's in a variety of commercial and industrial applications such as electrical transformers and capacitors, casting wax, cooling systems of mining machinery and other nominally closed electrical systems. They were also used in production of carbonless copy paper which was recycled by several de-inking paper mills on the Fox River.

Mass of PCB: The GBMB Study determined that Fox River sediment was the largest source of PCBs to Green Bay. About 270 kg were delivered to the Bay during the data gathering period between 1989 and 1990. The estimated volume of sediment contaminated with concentrations of PCB above 0.05 mg/kg (parts per million (ppm)) is approximately 7 to 9 million cubic meters, with the greater volume located below the De Pere dam. (Figures 1-4). Mass estimates placed approximately 4000 kg of PCB in the 32 miles of river between Lake Winnebago and the De Pere, WI dam, and between 20,000 and 40,000 kg in the 7 miles of river between the dam and the mouth of the river at Green Bay (Tables 1 and 2).

Genesis of the Fox River Coalition

A dialogue between citizens, industrial and municipal entities and local government in the Fox Valley has been occurring over the last 15 years through development of the Green Bay Remedial Action Plan, wasteload allocation process and other projects which developed an audience well-informed about contamination in the Fox River-Green Bay

system. The definitive nature of the GBMB Study in compiling a detailed data base on contaminants and their transport in the Fox River and Green Bay was the impetus for formation of the Fox River Coalition (Coalition).

This Fox River Coalition is a model of regional cooperation between Counties, municipalities, sewerage treatment facilities, industry, environmental advisory groups and state government. Its mission is to develop a process for private/public participation in determining clean up levels, cost-effective methods, funding mechanisms and timetables for contaminated sediment remediation in the Fox River. As such it deals with an environmental issue that has current and long term impacts to human health, fish, wildlife, recreation, navigation and beneficial uses of the Lower Fox River. Its planning efforts have benefitted from technical assistance from the US Army Corps of Engineers, and US Fish and Wildlife Service and policy support from the US EPA.

The Coalition has made substantial progress toward outlining a strategy for clean up. However, remediation involves technical, political and financial issues. Clean-up technologies on a system-wide basis are in their infancy, sediment disposal and treatment costs are high, and the public support, regulatory, and administrative needs are complex. The Coalition and Wisconsin Department of Natural Resources (WDNR) are addressing all these issues in the Lower Fox River.

Demonstration and Costs

To help achieve this significant locally-sponsored effort, we propose a demonstration of river remediation requiring approximately $30 million in Federal funding to be matched by private, local and state sources. We are seeking an authorization of $30 million over six years.

The demonstration would include completing a project at the uppermost end of the Lower Fox River at a site called Deposit A, which in cooperation with the P.H. Glatfelter

Company is proceeding to the design and engineering phase; detailed characterization of contaminated sites; identifying appropriate remedial options for top-ranked sites; and implementing sediment treatment and/or removal and disposal techniques. These techniques range from capping sediments in place i.e., isolating the contaminants from the overlying water, removing and containing them in confined disposal facilities, dewatering and landfilling, or using a combination of volume reduction methods, which attempt to segregate contaminants into a smaller fraction of sediment leaving "clean" materials for other uses, and permanently destroying contaminants with very high temperature burning. A combination of these techniques applied to the Lower Fox River could range in cost from $60 to 100 million.

Environmental Benefit

The expected environmental result is a reduction in PCBs entering Green Bay and ultimately the water and atmosphere over Lake Michigan. Because PCBs are continually transported with sediment from the river to the Bay, it is imperative to take swift action. Once in the Bay, contaminated sediments become so diffuse that remediation is technically and economically infeasible. The best opportunity to protect the entire tributary, the Bay and Lake Michigan is to remediate high priority sites in the river over the next ten years.

Technical/Administrative Needs

To accomplish this task the technical expertise, administrative cooperation between Department of Interior agencies, and public policy support of Federal agencies will be crucial. In particular the US Army Corps of Engineer's experience with navigational dredging and expanded interest in assisting States with environmental dredging would be a valuable asset if used in partnership with the State and local entities carrying out the Fox River demonstration. Beyond technical expertise however, we ask that the Committee would direct Federal agencies to provide full

cooperation in eliminating procedural or time-consuming protocols which would stall implementation of projects.

Examples of the type of support necessary include the following:

1. Expedited permits for 401 Water Quality certifications for dredging

2. Authorization of State management of low-level PCB waste. This overcomes major disposal obstacles arising from defining all sediment in a deposit as hazardous waste under the Toxic Substance Control Act trigger levels of one detect over 50 ppm PCBs

3. Federal recognition and acceptance of remedial actions that are the best environmental solution i.e., ones that reduce and minimize contaminant exposure to the environment even if it means cross-media exposure. For example, PCBs pose a greater environmental hazard in the aquatic environment than in landfills.

Summary

Mr. Chairman, attached to this testimony are supporting materials outlining the demonstration project schedule and projected timelines, as well as a list of entities participating in developing and implementing remediation of the Lower Fox River. On behalf of the Wisconsin Department of Natural Resources and the Fox River Coalition I thank you for this opportunity to address the Committee. I encourage you to invest in this type of public/private partnership between Federal, State and local entities which have the potential to accomplish cost-effective, publicly-supported cleanup of contaminated sediment sites and environmental improvement for the benefit of all citizens.

Thank you.

PROJECT PROPOSAL: Lower Fox River Sediment Remediation Demonstration

Thank you for the opportunity to present a demonstration project with regional and national application in river restoration and Great Lakes protection. A pilot demonstration to isolate, treat and/or dispose of contaminated sediment from 39 miles of the Lower Fox River in northeastern Wisconsin, would be a model for achieving progress on a problem of nationwide significance.

A model of contaminated sediment cleanup brought about through persistent local initiative and collaborative industry/municipal/governmental partnerships which results in cost-effective, expedient environmental restoration could be applied to the 43 identified "hotspots" across the Great Lakes but also to inland sites across the nation thus removing a major source of persistent, toxic substances which affect fish, wildlife and human health.

A description of project components, project budget and schedule, maps and relevant data follow.

Description of Project Components

Project Manager: The Department has used existing permanent staff to develop contaminant data, provide technical and finance guidance to the Fox River Coalition, and build political will amongst the public and local governments. Staff also coordinates with the Wisconsin Department of Administration on contractor selection, remedial investigation and feasibility study contracts, and will provide project oversight. As projects increase in number additional staff will be necessary.

Contaminant Assessments: The mass and location of contaminants are well estimated upstream of the De Pere Dam, but rely on data from 37 core samples in the seven miles of river downstream of the dam to the mouth of the river. Because of the depth of sediment there, the estimated mass of PCB ranges from 20,000 to 40,000 kilograms. Further sampling is required to define the lateral and vertical extent of contamination, identify other contaminants which could affect the choice of remedial option, and adequately support sediment and contaminant transport models which support selection of management options on a system-wide basis.

Remedial Investigations and Feasibility Studies (RI/FS): An RI/FS for the most upstream deposit on the Lower Fox River has been completed as part of a remedial demonstration. Design and engineering studies and identifying implementation financing are underway for "Deposit A" and implementation is expected in 1995.

A prioritization scheme was applied to sites upstream of De Pere which lead to contracted remedial investigations of four sites to be completed in 1995. Feasibility studies on selected sites will be conducted in 1995 as funding allows. Prioritization of the entire 39 miles of river is under development with necessary RI/FS work to be scheduled beginning in 1996.

Ultimately, remedial techniques tailored to the characteristics of individual sites will be identified but economy of scale, cost-effectiveness and use of innovative technology which provides permanent destruction of contaminants will be optimized.

Design and Engineering of Remedial Options: As remedial options are selected for individual sites, design and engineering studies will be conducted to prepare logistics of implementation.

Implementation: Following engineering design, pilot studies and public input, the State will contract for sediment remediation. Sediment treatment, removal and/or disposal will be accomplished through collaboration between municipal, county, and state government, industry, sewerage treatment facilities and interested citizenry.

Evaluation: Cost-effectiveness and availability of local matching funds to accomplish system-wide remediation will require both on-site and system evaluation before, during and upon completion of individual projects. It will be important to evaluate progress to determine if effective projects, in combination with factors such as sediment transport out of the feasible clean up area due to rainfall events, or "natural recovery" due to clean sediment burial of contaminated sites, results in achieving environmental goals faster than anticipated.

Budget Description

The total estimated cost for this pilot project is approximately $33 million over a six year period. The cost breakdown is:

Contract manager(s)	$600,000
Contract - Contaminant assessment De Pere to Green Bay (polychlorinated biphenyl sediment sampling)	1,250,000
Contract - Remedial Investigation and feasibility studies	2,150,000
Contract - Design engineering of identified remedial options	1,750,000
Contract - Implementation	26,250,000
Contract - Evaluation	650,000
Total	$32,650,000

ESTIMATED PROJECT COSTS

FED. FISCAL YEAR	CONTRACT MNGRS	CONTAM. ASSESS.- Contract	RI/FS - Contract	DESIGN/ ENG. - Contract	IMPLE-MENTA-TION - Contract	EVAL - Contract	TOTAL $ BY FFY
	$ (Thousands)						
FFY95	$100	$500	$650	$250	$7,000	$50	$8,550
FFY96	$100	$750	$500	—	$4,000	$75	$5,425
FFY97	$100	—	$500	$250	—	$75	$ 925
FFY98	$100	—	$500	$500	$3,250	$150	$4,500
FFY99	$100	—	—	$750	$6,000	$150	$7,000
FFY2000	$100	—	—	—	$6,000	$150	$6,250
Total $							$32,650
Secured							$ 2,650
Request							$30,000

PROJECT SCHEDULE

ACTIVITY	(YEAR OF ACTIVITY)					
	1995	1996	1997	1998	1999	2000
EVALUATION	SITE A*	SITES A, POG & N	SITES A, POG & N	SITES C, 1FRB1 & 2FRB1	SITES 1FRB1, 2FRB1 & 2FRB6	SITES 1FRB1, 2FRB1 & 2FRB6
IMPLEMEN-TATION	SITE A	SITES POG & N	---	SITE C	SITE 1FRB1 & 2FRB1	2FRB6
DESIGN/ENG	SITES POG & N	---	SITE C	SITES 1FRB1 & 2FRB1	SITE 2FRB6	---
RI/FS	SITES POG & N	SITE C	SITES 1FRB1 & 2FRB1	SITE 2FRB6	---	---
CONTAMINANT ASSESSMENT	SITES C, POG, D/E, N & EE(27)	SITES 1FRB1 2FRB1 2FRB6	---	---	---	---

* Contaminated deposits - See attached locator maps

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PRESENTED BY MR. JOSEPH BIRGELES

Statement of

Stanley Brezenoff
Executive Director

The Port Authority of New York & New Jersey

before

The Subcommittee on Water Resources & Environment
The Committee on Public Works & Transportation

U.S. House of Representatives

July 26, 1994

Mr. Chairman and Members of the Subcommittee, I am grateful to be able to offer our thoughts regarding federal policy and the dredging of our ports and channels. Like other ports, the Port of New York/ New Jersey faces significant problems involving the federal regulatory process, poor sediment quality, and the need for immediate and long-term disposal strategies. Some of the solutions are to be found at the regional level but we look to the Congress for assistance because we find federal law and regulation lacking and, as such, contributing to a crisis situation in our port that has already resulted in the the loss of cargo to the competition, especially ports in Canada. It is our hope that the attention you give the problem will result in regulatory and legislative improvements that will constitute a new federal policy designed to facilitate port dredging in the U.S. Such a policy must address the duration of the permit process, inconsistencies between coastal and ocean disposal regulation and law, sources of contamination, and a federal role in affording environmentally suitable sediment management strategies.

There was a time when the dredging of the underwater port infrastructure to a large extent was taken for granted. Then in the late 1970s, the process by which Congress and the executive branch decided the worth of water resource projects came into question. The dispute between persons favoring the status quo and those seeking to reform federal policy to ensure greater consideration of environmental and economic value resulted in governmental gridlock that ended only with enactment of the 1986 Water Resources Development Act.

In that landmark law reforms and federal policy improvements were made and the benefits are readily apparent. But eight years have passed and the time has come for Congress to adopt new reforms as a natural follow-up to the good work of 1986. Indeed, in testimony two years ago we stated the need for "a federal policy on dredged material, that includes funding for research, the finding of new disposal sites, and a crack down on sources of contamination."

At that time the Port of New York/New Jersey was two years into a federal permit process that was complicated by the presence of trace

levels of dioxin in berth sediments in Newark Bay. That process which should have taken one year, took a total of three before a permit was issued by the Corps of Engineers. Under the permit requirements a $1 million maintenance dredging project escalated to $17 million, not including the cost of litigation in which the Port Authority and the federal government are defendants.

That litigation, along with our overall experience, has helped illuminate problem areas in federal regulation of dredging activities. Those problems extend beyond the permit process and boil down to the lack of an implementable long-term strategy collaboratively developed and carried out by the Federal and local governments and community interests to ensure that dredged material will be managed in an economically achievable and environmentally appropriate manner. Our experience in the Port of New York/New Jersey brought to light the following concerns:

- Applicants for dredging permits have been subject to an interminable permit process that gives little consideration to the flow of time and sediments.

- The capacity to manage contaminated sediments and the understanding of appropriate responses to contamination have not kept pace with advances in detecting trace levels of contamination.

- Despite extensive studies and congressional mandates regarding management options and pollution mitigation for our harbor in years past federal agencies and states have done little to devise and implement new disposal and cleanup strategies until this year.

- Certain tests required in the 1991 Green Book have yet to be validated in the field, yet permit applicants must spend from $150,000 to $500,000 on laboratory tests that are the basis for judging their permits.

- Despite a clear need in the region to expeditiously explore technologies for the remediation of sediments and despite two years of appropriations to conduct a demonstration in the port, there was no apparent urgency on the part of federal agencies to act until this year.

- Under existing policy the federal government acknowledges no role in the cost of constructing a containment facility, even though the federal government dredges more sediments in the Port of New York/New Jersey than all permitees combined.

These problems are also apparent, to one degree or another, in other ports in this country. And it is the absence of a federal policy that recognizes the essential nature of providing for navigational infrastructure--one of the first responsibilities undertaken by the new

national government over two hundred years ago--that makes possible the severe problems being experienced in Boston Harbor, New York Harbor and San Francisco Bay. These problems prompted:

- the White House to tell federal agencies "to get on with it" in the Port of Oakland;

- Secretary Federico Pena to say that a national "dredging crisis" exists and to convene an Interagency Working Group on the Dredging Process to find ways to improve federal dredging policy;

- thirty-two national and regional organizations to write to the President calling for "clear policy direction...providing a framework for all interested parties to work together and to keep out nation's navigation channels open for trade"; and,

- the President to acknowledge in his letter to the ports that "dredging, the need for long-term disposal solutions, and disposal of contaminated sediments are a national concern."

The Port Authority of New York and New Jersey has joined with other public port authorities to seek a national dredging policy. Such a policy, as devised by the American Association of Port Authorities, could be achieved through legislation that would facilitate wise dredged material management without sacrificing environmental safeguards. Federal regulatory agencies should be given improved time frames in which to act, requirements to bring consistency to ocean and coastal waters regulation, and standards against which to evaluate a permit application. Clarification is needed as to the roles and responsibility of the agencies involved in the permit process. I recommend that legislation such as that prepared by Mr. Menendez to reform the dredged material permitting process be given serious consideration by this subcommittee.

Mr. Chairman, a major flaw in the present policy is with regard to dredged material management costs. With an extensive system of federal channels and anchorages around the country it is not surprising that most dredging in the U.S. is in federal channels and accomplished by the Corps of Engineers on behalf of the federal government. Given that role and the clear national interest in keeping ports open to international commerce, it is difficult to understand why the federal government does not take more responsibility for dredged material management, especially the cost of constructing dikes and other features of containment facilities.

Since the 1986 Water Resources Development Act the executive branch has been quick to state that disposal facility costs are a non-federal responsibility. This short-sighted view may save on some federal outlays, but it discourages the development of more environmentally suitable approaches to the management of contaminated dredged materials. The law should be altered to require federal funding of containment facilities whether upland or in coastal and ocean waters.

While a national dredging policy is important to address problems that we face in New York Harbor, there are additional recommendations I would make specifically regarding the Port of New York/New Jersey.

- The 1986 Act authorized the deepening of the Kill van Kull and Newark Bay channels to 45 feet. I am pleased to say the first phase of that project, to a depth of 40 feet, is nearly complete. However, because of geological conditions not anticipated by the Corps of Engineers in their original survey, we will need increased authorization for appropriations to enable the completion of the improvement to 45 feet. I would ask the committee to help make possible the completion of the project.

- The 1992 Act authorized a project for the decontamination of sediments from the Port of New York/New Jersey. The purpose of the project is to identify technologies that might be employed for the management of certain dredged materials. The original $5 million authorization has been appropriated and additional amounts are needed. I respectfully ask that the authorization be increased by $10 million.

- As efforts continue to identify long-term dredged material management strategies for the Port of New York/New Jersey there are few options readily apparent for the near term. The most promising is in the use of subaqueous borrow pits and other underwater containment facilities. I ask that Congress authorize and direct the Corps of Engineers to proceed with the development of such facilities to manage contaminated sediments.

- The EPA's 1984 designation of the ocean disposal site, the Mud Dump, will soon expire. The Environmental Protection Agency, working with the assistance of the Corps of Engineers, must move quickly to identify a new site if the Port of New York/New Jersey is to be kept open to shipping in the years ahead. We ask that the committee encourage the agencies to complete the designation process in a time frame that would enable dredging and dredged material disposal activities in the port to continue unabated.

- The 1986 Act authorized a New York Bight study that would provide valuable information that could lead to the location of dredged material management facilities off our shores. That study was expanded in 1992 to include New York Harbor, but additional authorization is required to ensure the modeling work can be completed.

- In Flushing Bay, New York, the creation of an earthen dike 30 years ago resulted in the development of mud flats that are exposed at low tide. The present condition of Flushing Bay, in part a consequence of federally permitted construction, has resulted in stagnant waters. We ask that Congress authorize the environmental dredging of that portion of Flushing Bay for the betterment of the quality of those waters and the nearby community.

Mr. Chairman, we in New York Harbor will continue to have a crisis on our hands until a practical long term dredged material management strategy is in place and being implemented. Given our recent years' experience we have every reason to be cynical, even doubtful, that the bad times are past. But steps have been taken by the federal agencies, in concert with the states, the Port Authority and other parties to suggest that there is cause for some optimism. And, importantly, members of our congressional delegation, some of them members of this committee, are actively engaged in addressing the problems.

We anticipate that the Port of New York/New Jersey--with six million cubic yards of sediments dredged annually--will require use of an ocean disposal site over the long term. However, we are working with the federal government to move as quickly as possible to identify and implement a number of alternatives. Some such as underwater containment pits might be put to use in the next few years. Others, including containment facilities and sediment remediation, could take much longer before they are available.

And if point and non-point sources of pollution are brought under control, and existing hot spots of contamination are remedied, dredging will become much less problematic and the kind of routine infrastructure improvement that it deserves to be.

Thank you for giving me this time.

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The Association
for the Development
of Inland Navigation in
America's Ohio Valley

Written Testimony

presented to

US House of Representatives
Public Works and Transportation Subcommittee
on Water Resources and Environment

on behalf of

DINAMO

The Association for the Development
of Inland Navigation in America's Ohio Valley

Three Gateway Center
Pittsburgh, Pennsylvania 15222

July 26, 1994

Mr. Chairman and Members of the Subcommittee:

I am William Bowker, Executive Director of the Kentucky Coal Marketing and Export Council, part of the Governor's Cabinet for Economic Development. I am a member of the Board of Directors and Executive Committee of DINAMO, the Association for the Development of Inland Navigation in America's Ohio Valley. DINAMO is a regional coalition of leaders from business, industry, labor, and state government whose singular purpose is to expedite the modernization of the lock and dam infrastructure on the Ohio River navigation system. DINAMO was launched by the governors of Pennsylvania, Ohio, West Virginia and Kentucky in 1981, and representatives from the governors' offices serve on the Board of Directors and Executive Committee. Today the states of Indiana and Illinois are also represented on our Board of Directors and Executive Committee.

We are here before this distinguished subcommittee today to urge your support of Congressional construction authorization for the Nashville District Engineer's recommendation for a new 110' x 1,200' lock at the Kentucky Lock, Tennessee River, KY, and the Huntington District Engineer's recommendation for a new 110' x 800' lock at Marmet Lock, Kanawha River, WV.

Mr. Chairman, the Federal water resources development program is working well. In order to continue this success story, it is of prime importance to maintain the two-year authorization cycle and enact a Water Resources Development Act of 1994. It is essential to maintain the critical reforms of the landmark 1986 Act, which broke the logjam of proposed projects while establishing policies to bring the Civil Works program into step with current needs, environmental sensitivities, and budgetary realities.

At the Kentucky Lock and Dam on the Tennessee River, the single 110' x 600' lock is not adequate for increasing traffic at this major intersection of the inland navigation system. In addition, the lack of an auxiliary chamber forces tows to use the Barkley Lock and Cumberland River during periods of excessive delays or closures. The Nashville District has studied various means to improve the Kentucky-Barkley system, including structural and non-structural measures on the Tennessee and Cumberland Rivers. The study area includes Barkley Canal, Kentucky Lock and the lower Tennessee River, Barkley Lock and lower Cumberland River, and a section of the Ohio River between the Smithland Locks and the Olmsted Locks and Dam, under construction near Olmsted, Illinois.

The Nashville District Engineer is recommending a new 110' x 1,200' lock constructed landward of the existing Kentucky Lock. The old lock could then be used as an auxiliary chamber, eliminating the

need to use the Barkley Lock as an auxiliary chamber. A new Kentucky Lock is estimated to cost $458 million with annual net economic benefits of $22.2 million, and will have a benefit to cost ratio of 1.7 to 1. Inclusion in the 1994 Water Resources Development Act (and funding at the rate required to support the schedule) will allow construction to begin by FY 1996 on a relocation contract and 2002 on the lock, with completion in 2007.

Until new works can be brought into service, continued growth in this region will be impeded by mounting congestion at Kentucky Lock. The Kentucky Lock is situated on the Tennessee River 22 miles above the mouth and thus provides the only economical waterway access from the Mississippi, Illinois, Missouri and Ohio Rivers to the Tennessee Valley. The entire 652 mile Tennessee Valley is constrained by the inadequate lock size at the old Kentucky Lock.

The Kentucky-Barkley system transports commodities from 20 states. Traffic on the system is projected to grow from 36 million tons in 1992 to 50.4 million tons by the year 2000. Of the 36 million tons moved in 1992, only 5.2 million tons moved through the Barkley Lock. Shippers prefer the Tennessee River because of the physical characteristics of the Tennessee and Cumberland Rivers. The lower Tennessee River can be compared to a broad, straight four-lane highway, whereas the lower Cumberland is more like a narrow, winding country road. Over half of the Cumberland River is not safe for two-way traffic. This means that tows have to wait until the one-way zones are clear. In addition, ten major bends in the lower Cumberland River necessitate slower speed and smaller tow size. Dense fog occurs much more frequently on the lower Cumberland River than the Tennessee, and hydropower plants along the Cumberland release water into the river, continually altering its flow and velocity. The currents are swift, which intensifies the effects of fog and hydropower releases. The lower Cumberland is nine miles longer than the lower Tennessee. Tows have to travel a longer distance at slower speeds with smaller tow size, resulting in significantly higher costs.

The 110′ x 600′ lock at Kentucky Lock was designed to single-lock a 12-barge tow of standard barges (175′ x 26′ each). Today, the standard barge has virtually disappeared from the river. In 1989, 92 percent of the barges through Kentucky Lock were jumbo barges (195′ x 35′ each), usually configured in 15-barge tows. These modern tows have to double-lock through the Kentucky Lock, stalling traffic for hours. Delays currently average 5 to 7 hours, and are projected to reach 10 to 12 hours by the year 2005.

The Kentucky Lock is in need of major repairs early in the 21st century. There are four 13-week closures scheduled during the period 2006-09 for repairs to the concrete and wall armor. The Corps of Engineers estimates **delays at Barkley during these periods will range form 41 to 47 hours,** with 16 million tons of traffic diverted to overland transportation. In the years 2038-41, Barkley is scheduled for four major maintenance closures lasting 14

weeks each year. During these closures, delays at Kentucky are projected to range from 84 to 91 hours, with over 45 million tons of traffic diverted to overland transportation. These delays would result in substantial costs. It is imperative that construction of an additional chamber at Kentucky Lock and Dam proceed at full Corps of Engineers capability in order that the new chamber is complete before the scheduled closures.

Through an historic initiative, the Tennessee Valley Authority (TVA) and the US Army Corps of Engineers have formed an agreement that would grant the responsibility for the design, funding and construction of a new 1,200' Kentucky Lock to the Corps of Engineers. On January 18, 1991, then-TVA Board Chairman Marvin Runyon wrote to Dr. G. Edward Dickey, Acting Secretary of the army (Civil Works), recommending "USACE request congressional authorization and funding for the new lock, as well as design and construct the project." TVA would retain responsibility for technical assistance, review and approval of the new lock's final design plans and planned construction phases. Included with the letter was a Memorandum of Agreement formalizing the request, which was signed by Dr. Dickey on May 10, 1991.

The Chief of Engineers approved and signed the Final Feasibility Report of the Nashville District Engineer in June of 1992.

Next, Mr. Chairman, Barry Palmer, DINAMO's Executive Director, will address the need for Congressional authorization of a new lock at the Marmet Lock and Dam on the Kanawha River in West Virginia.

BARRY PALMER:

Marmet is currently part of the Kanawha River navigation study which was authorized by Congress in 1977. Current traffic levels at Marmet are over 15 million tons per year, with coal being the primary commodity.

To improve present and future navigation conditions at Marmet Locks and Dam, the Huntington District Engineer is recommending the construction of a new 110' x 800' lock landward of the existing twin 56' x 110' locks. The plan includes continued operation of the existing lock chambers. The cost of this improvement is estimated at $252.7 million, including $243.1 million for the new lock and $9.5 million for rehabilitation of the existing dam. The recommended plan has a benefit-to-cost ratio of 1.9 to 1.

Construction of the new Robert C. Byrd Locks, which were dedicated in November 1992, and construction of a new 110' x 800' lock currently under way at Winfield Locks and Dam dictate construction of a new lock at Marmet Lock and Dam. The commonality of traffic that passes through Marmet, Winfield and Robert C. Byrd is extraordinarily high. For example, about 99 percent of all

commodities moving through Marmet (upbound and downbound) also moves through Winfield, and 55 percent of commodities moving through Marmet moves through Robert C. Byrd.

From 1982 to 1992, tonnage at Winfield increased by 8 million tons -- from 13 million to 21.2 million tons. Tonnage at Marmet during the same period also increased 8 million tons -- from 7.2 million to 15.2 million tons. Total lock processing times for a normal tow at Winfield during this decade increased from 4.2 hours to 12.5 hours. Delays at Marmet also increased over the same period, from 2 hours total processing time in 1982 to nearly 6 hours in 1992. Lock processing times in October 1993 have averaged 25 hours per tow. Hence, the congestion problems currently experienced at Winfield, which are expected to increase with increased traffic demand, will only be shifted upstream to Marmet after the new lock at Winfield is completed.

The Marmet Lock is an important link in the economy of the Kanawha Valley. Traffic at Marmet is composed largely of coal produced in the upper Kanawha Basin and destined for electric generating facilities and coking plants throughout the middle and upper Ohio River Basin. Some traffic moves to points as distant as Houston, Texas and St. Louis, Missouri. In 1992, coal accounted for approximately 93 percent of the total tonnage.

Marmet traffic is projected to grow at an annual rate of 3 percent through the year 2000 before slowing to 1.1 percent through 2050. Much of this growth is attributable to the Clean Air Act Amendments of 1990, which require coal-using electric generating plants to either install scrubbers, use advanced technologies to clean coal, or blend coals to reduce sulfur content. The coal fields of West Virginia are rich in low- and medium-sulfur coal, and the Kanawha River is a crucial transportation artery to move this coal to market.

The existing Marmet Locks are 60 years old and in advanced stages of deterioration. The project has many signs of distress as evidenced by significant misalignment of the guide and guard walls, general deteriorated condition of the concrete, and unsatisfactory performance of the lock wall appurtenances. Traffic projections indicate that the number of lockages over the next fifty years will be approximately three times that experienced in the last fifty years. With the projected increase in traffic and age of the project, deterioration is expected to accelerate. However, simply rehabilitating the old locks does not solve the problem of limited capacity.

Limited capacity at the existing facility results in excessive delays and increased transportation costs. The old 56′ x 360′ locks at Marmet will accommodate three standard barges (175′ x 26′ each) and a towboat. But the chambers hold only one jumbo barge (195′ x 35′ each) with a towboat. Jumbos are currently the largest component of the Kanawha River barge fleet and the use of jumbo

barges is expected to increase. **So a typical five-barge tow composed of jumbo barges requires five lockages.** Jumbo barges are used on long-haul movements where the inefficiencies of using jumbos are offset by the efficiency of using them elsewhere on the navigation system. With the completion of the larger lock at Winfield, standard barges will continue to lose their economic advantage and the use of jumbo barges is expected to increase, further aggravating the delays at Marmet.

Because of the location of the existing Marmet Locks and Dam in a highly populated area, the proposed Marmet Lock has significant social impacts. An estimated 98 acres of real estate would be acquired in West Belle, including 45 acres of residential, 12 acres of commercial and about 40 acres of undeveloped bottomland. Included would be 234 residential and 10 commercial units. Alternative lock plans which would reduce the impact on the nearby residential communities were studied by the Corps. However, all other alternatives either do not provide satisfactory navigation conditions or have a much higher cost. Design of the new lock plan has focused on limiting real estate acquisitions to the minimum necessary for construction.

A community advisory committee, led by Congressman Bob Wise, has been keeping the community informed of developments in the Marmet study. There is a general consensus among the residents that the new lock it essential to the local industrial base and to insure jobs in the region. Most affected residents plan to relocate within a few miles of their present location, and most of the businesses expressed a desire to reopen in the general area. Many affected residents are concerned about further delays and are anxious for land acquisition to begin. DINAMO is sympathetic and appreciative of the concern of affected residents, and urges that construction begin as expeditiously as feasible in order to lessen the hardship on those affected.

Mr. Chairman, we strongly urge the continued modernization of the locks and dams on the Ohio River system. The rivers have been an important economic generator, and they will continue to be an important economic generator as long as we have modern, efficient locks and dams. We are most grateful to the tremendous history of support of this committee for an orderly inland navigation modernization program in the nation and the Ohio Valley. We look forward to working with you closely in the future and thank you for the opportunity to be here today.

Ohio River Navigation System
DINAMO Modernization Program
Montgomery
Dashields
Emsworth
L/D 2,3,4
PA
Grays Landing L/D
Point Marion Lock
Monongahela River
Ohio River
Ohio
Indiana
Illinois
Robert C. Byrd Locks & Dam
Winfield Lock
West Virginia
Marmet Lock
Kanawha River
McAlpine Lock
Olmsted L/D
Kentucky Lock
Kentucky
Cumberland River
Mississippi River
Tennessee River
Tennessee
Mississippi
Alabama
Completed projects
Planned improvements
Funded for construction
DINAMO

American Rivers

TESTIMONY OF

AMERICAN RIVERS,

THE ENVIRONMENTAL DEFENSE FUND,

AND THE MISSISSIPPI RIVER BASIN ALLIANCE

ON

THE WATER RESOURCES DEVELOPMENT ACT OF 1994

BY AMERICAN RIVERS

BEFORE THE WATER RESOURCES AND ENVIRONMENT SUBCOMMITTEE

OF THE HOUSE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

July 26, 1994

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a member of Earth Share

Mr. Chairman, members of the Committee, I appreciate the opportunity to testify today on the Water Resources Development Act of 1994. My name is Scott Faber, and I am Director of Floodplain Programs for American Rivers, a national conservation organization dedicated to the protection and restoration of our nation's rivers and streams. I am testifying today on behalf of American Rivers, the Environmental Defense Fund, and the Mississippi River Basin Alliance.

Our nation's flood control policies are badly in need of reform. For more than two centuries, the Corps of Engineers has relied on structural engineering solutions to control flooding, exchanging heavy environmental costs for uncertain flood control benefits. Despite this multibillion dollar investment in structural flood control, per capita flood losses have more than doubled since 1951, as we continue to build our homes and businesses in flood-prone areas.

Instead of using floodplains and their associated wetlands to store and slowly convey stormwater, our stormwater managers have sought to control flooding with practices designed to drain our watersheds quickly and then to compensate for increased mainstem flooding by constructing levees. This philosophy has focused on a single

purpose -- removal of water -- and it is still the approach used in the vast majority of current and pending flood control projects.

A New Mission: Watershed Management

Given the number of vulnerable homes and businesses located in our nation's floodplains, there will continue to be a need for thoughtful and appropriate structural flood control projects. But, we must begin to address the problems of the flooding where they begin -- in our watersheds. What we are proposing today is a fundamental shift in the way that the Corps of Engineers approaches flood control. We believe that the Corps of Engineers should adopt a multi-objective watershed approach that controls flooding through the preservation and restoration of natural flood control functions throughout our nation's river basins, and through relocation and other non-structural alternatives that reduce the risk of flooding to those currently living in flood-prone areas.

In the wake of the greatest flood of this century, Congress acted quickly to pass the Hazard Mitigation and Relocation Assistance Act of 1993, landmark legislation that will allow more than 5,000 flooded homes and businesses to be relocated from flood-prone areas throughout the Midwest. Congress made certain that non-structural flood control alternatives, like relocation and wetlands restoration, were available. To prevent future flood losses, we must not only continue to move people and property out of harm's

way but must also make watershed management and the preservation and restoration of natural flood control functions unambiguous missions for the Corps of Engineers, and make certain that future civil works projects reflect this new approach. We must also recognize that the states, not the Corps of Engineers or the Soil Conservation Service, are our floodplain and watershed managers, and that we must tailor our federal flood control programs to facilitate strong state floodplain and watershed management.

Scientists increasingly tell us that the main threat to America's rivers today comes not from pollution but the physical and biological transformation of rivers and their watersheds. As our rivers are altered to provide water transportation, generate power, reduce flood hazards and provide water for our farms, cities and industries, their natural physical, chemical and biological processes have been damaged or destroyed. The loss of riparian and aquatic habitat has led to the decline or extinction of more than one-third of North America's fish species.

Healthy river systems are incredibly dynamic. As nutrients, sediments and organisms are transported downstream, water and organic materials are constantly added to the mix. Most of these materials come from the surrounding terrestrial system, with the land-water boundary, known as the "riparian zone," acting as a critical valve or filter that regulates the exchange. Riparian zones and their associated wetlands also act as natural sponges,

absorbing and filtering polluted floodwaters over time. In places where the banks of streams are cleared, straightened and replaced with rocks or concrete to reduce flood hazards, the natural values of associated wetlands and floodplains -- controlling and filtering runoff, providing habitat, and adding nutrients -- are eliminated.

Although river flow is highly variable over the course of a year, the seasonal timing of high and low flows is fairly predictable. When rivers flood, they alter the shape of the stream, scouring new channels and inundating riverside land, depositing sediments, and building new banks and beaches. This function is as important to healthy river ecosystems as fire is for maintaining prairies. For many fish species, this flood "pulse," called the "natural hydrograph" by scientists, not only triggers spawning and migration but also allows fish to reach seasonally inundated floodplain nursery and spawning habitat.

Scientists increasingly understand how the destruction of these natural hydrologic cycles have contributed to the destruction of our aquatic ecosystems. And while many local communities have begun to adopt stormwater management programs that utilize natural hydrologic processes, the Corps of Engineers continues to pursue its primary missions, flood control and navigation, by altering the hydrology and other physical characteristics of rivers and their watersheds. While environmental restoration has become a part of

the Corps' mission, it is almost exclusively through efforts to mitigate for negative environmental impacts.

Increasingly, our nation's water management systems are at war with each other, leading to higher flood losses, the loss of aquatic species, and the degradation of our drinking water supplies. These competing water management systems often solve one problem by shifting it elsewhere, creating a disintegrated and inefficient approach to river and watershed management. More and more, these tensions are translated into higher costs for taxpayers and rate payers as the deterioration of water quality requires more expensive methods of water treatment.

Flood control projects proposed for Duck Creek in Ohio, Wood River in Nebraska, and the Big Sioux River in South Dakota are indicative of the approach the Corps has taken and continues to take to water resources, an approach that no longer reflects the broader environmental objectives that Congress has established in the National Environmental Policy Act, the Endangered Species Act, the Clean Water Act and the Safe Drinking Water Act. The construction of these projects actually conflicts with many of the goals Congress has set for other agencies that manage our natural resources. We urge the Committee to take a hard look at these pending water resources projects to make certain they simultaneously control flooding and meet the nations's broader environmental objectives.

New Directions

1) Direct the Corps to engage in watershed management in all of our nation's watersheds, including stormwater management.

The Water Resources Development Act of 1992 gave the Corps of Engineers the authority to adopt a watershed-based approach to water resources management, and included site specific authorizations and demonstrations such as the Anacostia River Watershed study. Each of these studies directs the Corps to perform comprehensive watershed planning, management and restoration through wetlands restoration, sediment controls, stormwater management and other conservation and flood control tools.

This month, the Interagency Floodplain Management Review Committee, in its report to the Administration's Floodplain Management Task Force called for a new approach for floodplain management -- managing floodplains as watershed components. The Committee specifically called for the revision of current Corps of Engineers regulations to reflect environmental costs and benefits, and for better interagency coordination of project development to address multiple purposes. The best parts of federal programs, the Committee said, should be "merged to encompass a holistic and synergistic approach to watershed management."

scientists have increasingly found that within a watershed where lakes and wetlands are preserved or restored, water is released at different rates and reaches the channel at different times.[1] In the Midwest, where the Great Flood of 1993 left more than 70,000 people homeless, more than 19 million acres of wetlands that once helped to store floodwater and then release it slowly back into streams have been replaced by flood control and drainage structures designed to move water off the landscape as quickly as possible. Researchers have found that peak flows increase substantially after drainage. One researcher studying the effect of wetlands losses on streamflows in Wisconsin found that flood peaks might be as much as 80 percent lower in basins with significant lake and wetland area.[2] Others have come to similar conclusions, finding that the hydrologic detention function of wetlands can reduce the size of flood pulses.[3] The Interagency Floodplain Management Review

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[1] Misganaw Demissie and Abdul Khan, Influence of Wetlands on Streamflow in Illinois, Illinois State Water Survey for the Illinois Department of Conservation, at 49 (1993).

[2] R.P. Novitski, Hydrology of Wisconsin's Wetlands, U.S. Geological Survey, Madison, Wisconsin (1982).

[3] see generally C.H. Prior and J.H. Hess, Floods In Minnesota, Magnitude and Frequency, Minnesota Department of Conservation (1961). C.T. Haan and H.P. Johnson, Hydraulic Model of Runoff from Depressional Areas, American Society of Cultural Engineers, 11:364-367 (1968). D.W. DeBoer and H.P. Johnson, Simulation of Runoff from Depression Characterized Watersheds, American Society of Agricultural Engineers, 14(4):615-620 (1971). K.L. Campbell and H.P. Johnson, Hydrologic Simulation of Watersheds with Artificial Drainage, Water Resources Research 11(1):120-126 (1975). I.D. Moore and C.L. Larson, Effects of Drainage Projects on Surface Runoff from Small Depressional Watersheds in the North Central Region, Water Resources Research, Bulletin 99 (1979).

Committee also concluded that the loss of wetlands and upland cover throughout the basin over the last century and a half significantly increased runoff, and concluded that upland watershed treatment and restoration of upland and bottomland wetlands can reduce flood stages during smaller, more frequent floods.

We believe that Congress should explicitly grant the Corps of Engineers the authority to implement non-structural flood control efforts that limit stormwater runoff. The 1944 Flood Control Act creates a separation of responsibilities between the Corps of Engineers and the Soil Conservation Service (SCS), instructing the Corps to manage large rivers and the SCS to manage watersheds. That division often prevents the Corps from addressing the causes of flooding -- stormwater management practices throughout the watershed. We believe the management practices that have the greatest potential to simultaneously reduce flood losses, improve the quality of our drinking water supplies and protect and restore aquatic habitat are those practices that restore and preserve natural hydrologic detention functions throughout the watershed. The flood control efforts of the Corps of Engineers, currently focused structural solutions to mainstem flooding, should be enlarged to include non-structural measures, including wetlands restoration, that reverse the effects of tributary channelization, and require coordination with SCS and other federal, state and local water management agencies. This enlarged role in stormwater management should require that the Corps of Engineers, working

cooperatively with other federal, state and local agencies, address a variety of water resources needs simultaneously.

2) Expand the Corps' Environmental Restoration Programs by making aquatic ecosystem restoration an explicit mission and by reforming the Section 1135 Program.

In 1992, Congress included major new provisions and themes reinforcing the Corps of Engineers' emerging environmental mission in the Water Resources Development Act. We now ask the Committee to go further in the Water Resources Development Act of 1994 and to establish aquatic ecosystem restoration as an explicit mission of the Corps of Engineers.

In Sec. 306 of the Water Resources Development Act of 1990, Congress provided that the Corps "shall include environmental protection as one of the primary missions of the Corps of Engineers in planning, designing, constructing, operating and maintaining water resources projects." Section 307 also mandated that the Corps develop an action plan to use its water resources authorities to accomplish net wetland restoration. Despite these authorities, the Corps has generally believed that it could not engage in aquatic ecosystem restoration unless the project involved modifications to existing Corps projects and only if all existing project purposes are kept fully intact. It has typically defined its environmental mission as protection of fish and wildlife

habitat, terminology that has resulted in a focus on the direct habitat uses of identifiable species. This interpretation fails to encompass other impacts associated with structural flood control projects, such as negative impacts on drinking water supplies, and focuses project purposes on the construction of nesting areas rather than efforts that might preserve the natural hydrology and biological integrity of whole aquatic systems.

o Section 1135 Program

Section 1135 of the Water Resources Development Act of 1986 gave the Corps of Engineers the authority for a two-year demonstration project to implement changes in the structure and operation of previously constructed projects to improve the environment. The Water Resources Development Act of 1988 extended this program for three years, and the Water Resources Development Act of 1990 made this program permanent with an annual authorization of $15 million. The Water Resources Development Act of 1992 increased the program's annual authorization to $25 million.

To date, a series of legislative and administrative obstacles have prevented the Corps of Engineers from fully meeting the intent of Congress. The Water Resources Development Act of 1994 creates the opportunity to "fine-tune" this important program so that the Corps can better accomplish its emerging environmental missions.

The Secretary is currently authorized to review the operation of water resources projects constructed by the Corps of Engineers to determine the need for modifications in the structure and operations of such projects for the purpose of improving the quality of the environment. First, we urge the Committee to explicitly direct the Secretary to review the operation of all projects constructed by the Corps to determine the potential for such modifications. Furthermore, we urge the Committee to broaden the Secretary's authority to implement restoration projects that do not modify existing Corps of Engineers projects so that the agency can begin to meet the broader environmental objectives of aquatic ecosystem restoration. At a minimum, we believe that the Secretary should be granted the authority to implement environmental restoration projects in ecosystems impacted by the construction or operation of a Corps of Engineers project.

One obstacle to the full implementation of the 1135 program lies in the requirement that local sponsors provide land and rights of way for both environmental restoration and non-structural flood control projects, and to allow local sponsors to contribute in-kind work to meet their cost-sharing obligations. Currently, the non-federal sponsor is required to provide all lands, easements, rights-of-way, including suitable borrow and dredged material disposal areas, and to provide a cash contribution in the amount needed to make its total contribution equal to 25 percent. In-kind

work, especially for the construction and design phases, should be counted towards the local sponsors' contribution.

3) Expand the Environmental Management Program for the Upper Mississippi River to include the development of a comprehensive river basin management plan; and create an Environmental Management Program for the Lower Mississippi River.

The Water Resources Development Act of 1986 authorized the Corps of Engineers to undertake on navigable portions of the Upper Mississippi River a program for the planning, construction, and evaluation of measures for fish and wildlife habitat rehabilitation and enhancement, a long-term resource monitoring program, a program of recreational projects and an assessment of recreational benefits. These authorities, contained in Section 1103 of P.L. 99-662 and known as the Environmental Management Program, have been narrowly interpreted by the Corps of Engineers. Habitat projects developed and implemented as part of the Environmental Management Program have not been developed within a systemwide, integrated approach.

Despite the successes of the Environmental Management Program, the Mississippi River continues to decline. Shallow backwater lakes are being filled in with sediments which are constantly resuspended in the water column, reducing light penetration needed for the growth of aquatic plants. Submerged vegetation and aquatic insects will

soon disappear and, without the vegetation and insects essential for waterfowl and other animals, the river's ecosystem will collapse. This sequence of events is inevitable whenever a river is impounded, and it is happening to the Mississippi River with increasing speed. An increasing number of river biologists warn that critical ecological thresholds may soon be crossed, which will lead to a rapid, perhaps irreversible loss of biodiversity throughout the system.

We propose that the Committee build on the existing EMP framework and create a river basin management team to develop, in collaboration with citizens and local, state and federal resource management agencies, a river basin restoration and management plan that addresses the basin's long-term economic, ecological and flood control needs. Accordingly, the Committee should redirect ongoing studies, including the Corps' navigation study and floodplain management assessment, to work cooperatively with the team to develop a comprehensive, systemwide approach for the management of the entire system. The plan developed by the team, which would be located at the Environmental Management and Technical Center in Wisconsin, should be approved by a basin commission comprised of the five basin states and the Department of Interior, the Secretary of the Army, the Secretary of Agriculture, and the Administrator of the Environmental Protection Agency. Existing EMP funds would be used to develop the plan.

4) Authorize a Missouri River Floodway Project.

Given the extensive damage wrought by Midwest flooding and the unusual number of willing sellers along the Missouri River between Sioux City and St. Louis, the Water Resources Development Act of 1994 creates an unprecedented opportunity to satisfy both flood control and environmental objectives, and to help farmers recover from flood damages. The acquisition of a Missouri River floodway or "high-energy zone" was included in the Pick-Sloan authorization and is a recommendation included in report of the Interagency Floodplain Management Review Committee. We propose that Congress authorize a Missouri River Floodway Project that would use data collected by the Scientific Assessment and Strategy Team for the Interagency Floodplain Management Review Committee and other sources to identify acquisition sites that meet flood control and environmental objectives. This $100 million acquisition program would require a 25 percent local cost-share, and acquired land would be managed by state, local and federal government. Sites would be identified by the Department of the Interior, also a recommendation of the Galloway task force.

Between 1879 and 1954, human actions and natural changes shortened the Missouri River by 45.6 miles, reduced river surface area by over 50,000 acres, reduced the number of islands from 161 (24,419

acres) to 18 (419 acres), and converted nearly 67,000 acres of river habitat from public to private ownership. In the end, nearly one-third of the Missouri River has been impounded, another one-third channelized and the hydrologic cycle, including temporal flow volume and sediment transport, has been altered on the remainder. Loss of sediment load has led to channel degradation which contributed to the loss of off-channel habitat and further severed the river from its floodplain. Since the early 1950s the Missouri River has been deprived of a floodplain in most reaches.

The Missouri River's natural riparian ecosystem has been nearly eliminated and presently consists of a discontinuous, single row of trees. Missouri River floodplain forest coverage decreased from 76 percent in 1826 to 13 percent in 1972, while cultivated lands increased from 18 percent to 83 percent. Thirty-four species of Missouri River Basin fish are listed by basin states as rare, threatened, endangered, or as a species of special concern. In addition to four federally listed species, population densities of five species of chubs and two species of minnows have been reduced by as much as 95 percent since 1971. Burbot have been nearly extirpated, sauger have been greatly reduced, and blue catfish are rare.

Conclusion

The Water Resources Development Act of 1986 was the most comprehensive water resources development legislation enacted by Congress since the New Deal and the was the most environmentally sensitive water resources bill ever developed. Subsequent Water Resources Development Acts have expanded and improved that landmark legislation, moving the Corps of Engineers into watershed management, wastewater reclamation and reuse, and the construction of environmental infrastructure. The Water Resources Development Act of 1992 contained more environmental provisions that the three previous omnibus Corps of Engineers bills, paying particular attention to water quality.

Now, we urge the Committee to go further and require that the Corps of Engineers simultaneously meet our nation's flood control and environmental objectives through the adoption of a multi-objective watershed approach that controls flooding through the preservation and restoration of natural flood control functions throughout all of our nation's river basins, and through the use of non-structural alternatives like relocation, used so successfully in the Midwest.

In order to build on the Corps' emerging environmental mission, we also ask the Committee to make aquatic ecosystem restoration an explicit mission of the Corps of Engineers, and urge you to direct the Secretary to the review the operation of all projects

constructed by the Corps to determine the potential for environmental improvements. By making aquatic ecosystem restoration an explicit mission of the Corps of Engineers, our de facto river managers, we can better meet our broader water resources management objectives.

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STATE DAM SAFETY OFFICIALS, INC.
Working to enhance dam safety interests in the USA

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Testimony

of

Mr. Brad Iarossi
Legislative Activities Officer
Association of State Dam Safety Officials

on the

Inclusion of a
National Dam Safety Program
within the
Water Resources Development Act of 1994

Before the
Subcommittee on Water Resources and Environment
Committee on Public Works and Transportation
U.S. House of Representatives

July 26, 1994

Lori C. Spragens, Executive Director • 450 Old East Vine, 2nd Fl. • Lexington, Kentucky 40507 • 606/257-5140 • Fax 606/323-1958

Good morning Mr. Chairman and members of the Subcommittee, I appreciate the opportunity to testify before you today concerning the future safety of our nation's 100,000 non-federal dams. I am Brad Iarossi, Legislative Activities Officer for the Association of State Dam Safety Officials and Division Chief of the Maryland Water Resources Administration, Dam Safety Division.

CONGRESS RECOGNIZES THE NEED FOR A NATIONAL DAM SAFETY PROGRAM

I am testifying on behalf of the Association of State Dam Safety Officials (ASDSO). Several devastating dam failures occurring in the late 1970's focused attention on the need for stronger coordination of dam safety programs at state and federal levels and led to the establishment of ASDSO in 1984. Our goal as an association of federal, state and local dam safety officials and private sector individuals is to save lives, prevent damage to property and maintain the benefits of dams by preventing failures.

To achieve this goal, ASDSO, in the strongest possible terms, respectfully urges this committee to incorporate ASDSO's proposed Dam Safety Act of 1994 into the Water Resources Development Act of 1994. The text of ASDSO's legislative language is attached to our testimony.

The Administration has proposed only to retain the national dam inventory, which will provide important information and data, but will do little to further the critical cause of dam safety in this country. Dam safety is a paramount issue of public safety. Failure to address this vital safety issue will needlessly endanger people's lives and property.

In 1986, this committee, recognizing the need to improve dam safety within each state and across the country, included the Dam Safety Act of 1986 as Title XII of the Water Resources Development Act of 1986. The 5-year authorization of Title XII was then reauthorized as part of the Water Resources Development Act of 1992.

The 1986 and 1992 provisions authorized the Secretary of the Army to conduct the following activities:

1. Matching grants to state dam safety programs offered as an incentive to improve the effectiveness of these programs. Authorized appropriations -- $13,000,000 per year.

2. Federally-operated training programs for state dam safety inspectors. Authorized appropriation -- $500,000 per year.

3. A federal research program developed to improve techniques and

equipment for rapid and effective dam inspections, and updated devices for monitoring dams for safety purposes. Authorized appropriation -- $2,000,000 per year.

4. An updated national inventory of non-federal dams program. Authorized appropriation -- $500,000 per year.

The inclusion of the act in 1986 and 1992 showed Congress' recognition of the problem and of the solution. Yet, the Administration and congressional appropriators never fully funded this national dam safety program, and in fact, only the national inventory of dams was funded. Today, the present Administration's version of the 1994 bill has completely omitted all activities except the national dam inventory. This is an alarming step backwards for public safety at a time when the national focus is on mitigation of disasters.

A NATIONAL DAM SAFETY PROGRAM IS NEEDED

At a time when the national attention is focused on the power of water and its potential for causing loss of life and severe property damage, it is important to realize that the safety of over 100,000 dams across this country is dependent on federal and state safety regulators with adequate authority and resources to carry out the task. Dams provide a great benefit, most often a life source, to the people they serve but, at the same time, they have the potential for causing devastating disasters should they fail.

In recent weeks, torrential rains in Georgia have caused massive flooding and have hit hard the dams in the state. According to state dam safety officials, 2 category I dams, 26 category II dams and 100+ smaller structures have failed, sending even more deadly currents into the already water-ravaged central and southern Georgia towns. Although none of the dozens of deaths caused by the flooding can be directly attributable to these dam failures, some of the failures washed out roads and bridges which were said to have contributed to many of the drownings.

Category I dams are classified such because of their potential for causing probable loss of life should they fail. Category II dams will not cause probable loss of life if they fail but can cause extreme property damage.

Was Georgia prepared? The five state dam safety regulators dedicated full time to inventorying and classifying Georgia's 5,000+ dams (third highest in the nation) and regulating 351 category I dams, are doing all they can physically do to monitor the safety of these structures, but they are overwhelmed by the task, hampered by insufficient budgets and lack of manpower. At present, few sates would be prepared to handle such an attack on their state's dams.

A National Dam Safety Program would provide the authority and resources to greatly improve dam safety in this country and to empower the states to proceed on the road to improvement.

A federal focus is necessary because a dam failure, in many cases, will involve more than one state. Moreover, there is great diversity in state dam safety programs. A major dam failure could result in significant loss of life, injury and destruction of property resulting in major federal expenditures from the National Flood Insurance Program and the President's Disaster Relief Fund. Isn't it more responsible to invest in strong state programs and a strong federal/state partnership? The total economic and social disruption of one dam failure, not to mention the incalculable loss of life, may easily exceed the cost of the program.

EXTENT OF THE HAZARD

I would like to give you a brief overview of the extent of the hazard.

Millions of American rely on dams for water supply, power generation, flood control, irrigation and recreation. High safety standards for these dams can keep them from failing. But, high dam safety standards have not been the norm in the United States until the past 20 years, and these standards have only been put in place in response to several devastating failures.

It has been said that few man-made structures have the potential for causing catastrophic devastation as do dams should they fail. When we think of devastating dam failures and flooding, the highly-publicized and significant events of the past come to mind such as the South Fork Dam failure of 1889 which killed 2,209 people in Johnstown, Pennsylvania. This infamous disaster has always been attributed to the lack of dam safety technology and awareness.

We think that we have conquered the problems of this unenlightened age. But failures, property damage and death due to dam failures continue to plague this nation. For example:

- The Buffalo Creek Dam failure of 1972 killed 125 in West Virginia.
- The Teton Dam Failure in 1976 caused the deaths of 14 and $400 million in property damage.
- The Laurel Run Dam failure in 1977 killed 40 in Pennsylvania.
- The Kelly Barnes Dam in Taccoa Falls, Georgia killed 39 and caused $2.5 million in damages in 1977.

Although increased state regulation and safety standards were indeed put in place in response to these failures, the regulatory and technical attention given to our ever-aging dams has not been

consistent from state to state or from year to year. Failures and devastation still occur and threaten lives and property today.

In the past few years, there have been dozens of documented dam failures across the nation - 27 in Wisconsin after the Midwest Flood of 1993 and over 100 in Georgia this year. Seven deaths were attributed to dam failures in the early 1990s. Millions of dollars in property damage and repair costs resulted from these recent dam failures.

SAFETY AND REGULATION

Regulation is essential for the reduction of the hazards involved with dams. That duty rests almost entirely with the states. States regulate about 95% of the 75,000 dams on the National Inventory of Dams. While the majority of states have been working to improve their programs in the last 20 years, most are still struggling with minimum budgets and staff. A handful do not even have adequate programs in place to regulate the safety of dams in those states.

Safety is essential to all regulated dams, but most importantly to the approximately 9,300 dams determined by regulators to be high-hazard (category I), meaning they threaten human life and could cause significant downstream damage should they fail. Even more significant are the 1,800 dams which are considered unsafe (many of these are also high-hazard). This means they have deficiencies which leave them more susceptible to failure.

Every member of this committee has high-hazard dams operating within his or her state. Every state represented here has an unsafe, high-hazard dam operating. In Ohio, there are 450 unsafe structures. In New York, there are 373 high-hazard dams, 69 of which are determined to be unsafe. In Missouri, there are currently 658 high-hazard dams, and of these, 87 are unsafe. In Wisconsin, there are 145 high-hazard dams. In my state, Maryland, there 51 high-hazard dams and 3 of these are determined to be unsafe at this time.

A chart of states' dam inventory data is included at the end of this written testimony.

NEED FOR REAUTHORIZATION AND UPDATE OF THE LAW

Our existing dams are deteriorating, downstream development is increasing and support for regulatory programs is lacking in some states. This situation calls for more federal attention to dam safety, not less. To emphasize a previously-stated point, dams are an essential part of our national infrastructure and failures of these structures can affect many states, not just the state with jurisdiction over a dam. Reauthorization and updating of the dam safety provisions

in the Water Resources Development Act of 1994 will provide the tools and a strong federal focus needed to help improve the national infrastructure and to encourage the states to advance their safety programs, thereby mitigating hazard potential throughout the nation.

We urge the committee to consider ASDSO's proposed language, which would not only confirm the federal commitment to dam safety and offer leadership to state lawmakers, but also establish a very cost-effective means to improve state dam safety programs. Except for the National Inventory of Dams, which will remain in the Corps of Engineers, ASDSO's proposed language would essentially retain the previous provisions and funding levels for dam safety but this time under the leadership of FEMA. ASDSO believes that FEMA is in an excellent position to direct this program as they are heavily involved in hazard mitigation. They currently administer grant programs for flood and earthquake hazards, which are significant causes of dam failures and they have a small dam safety program created by Executive Order.

The updated language, if passed this year, would provide for the following:

FEMA

- A National Dam Safety Program authorized and funded by law (it is presently by presidential directive).
- Matching funds to state dam safety programs to assist in dam safety program improvement.
- Research in dam safety.
- Training programs for dam inspectors.

CORPS OF ENGINEERS

- Continuation of the National Inventory of Non-Federal Dams (the only provision carried out from the original 1986 legislation).

With stronger state programs come stricter regulation over dam maintenance thereby reducing the potential hazard and helping to alleviate the enormous costs associated with dam and downstream repair due to failures.

In the past several years, statistics show that downstream damage and dam repairs caused by failures in only 8 states totaled $48,060,679. This does not include legal costs for states and emergency relief costs to states and to the federal government. Proposed appropriations for dam safety legislation would not exceed $15,000,000 per year to assist states in improving their regulatory abilities. Spending up front to maintain dams prevents tragic loss of life and much larger expenditures later when dams fail.

So, again, let me urge this committee to include ASDSO's recommended provisions for dam safety in the Water Resources Development Act of 1994. ASDSO looks forward to working with the

committee and its staff on this critical public safety issue. Thank you for your time and consideration. I would be happy to respond to any questions.

15-Apr-94

ASDSO Draft Federal Legislation

An Act

To reduce the hazards of dam failures, and other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

That this Act may be cited as the "National Dam Safety Program Act of 1994".

SECTION 2. FINDINGS.

The Congress finds that--

(1) Dams are an essential part of the national infrastructure. Dams fail from time to time with catastrophic results; thus, dam safety is a vital public concern.

(2) Dam failures have caused, and can cause in the future, enormous loss of life, injury, destruction of property, and economic and social disruption.

3) Some dams are at or near the end of their structural, useful, or operation life. With respect to future dam failures, the loss, destruction, and disruption can be substantially reduced through the development and implementation of dam safety hazard mitigation measures, including:

(A) improved design and construction standards and practices supported by a national dam
performance resource bank
(B) safe operations and maintenance procedures,
(C) early warning systems,
(D) coordinated emergency preparedness plans, and
(E) public awareness and involvement programs,

(4) Dam safety problems persist nationwide. The diversity in federal and state dam safety programs calls for national leadership in a cooperative effort involving federal and state governments and the private sector. An expertly-staffed and adequately-financed dam safety hazard reduction program, based on federal, state, local and private research, planning, decision making, and contributions, would reduce the risk of such loss, destruction, and disruption from dam failure by an amount far greater than the cost of such program.

(5) There is a fundamental need for a National Dam Safety Program and the need will continue. An effective National program in dam safety hazards reduction will require input from, and review by federal and non-federal experts in dams design, construction, operation, and maintenance; and in the practical application of dam failure hazards reduction measures. At the present time, there is no National Dam Safety Program.

(6) The coordinating authority for national leadership is being provided through the Federal Emergency Management Agency's (hereinafter in this Act referred to as "FEMA'), dam safety program through Executive Order 12148 in coordination with

members of the Interagency Committee on Dam Safety (hereinafter referred to as "ICODS") (established in Section 5), and the states.

(7) While FEMA's dam safety program shall continue as a proper federal undertaking and shall provide the foundation for a National Dam Safety Program, statutory authority to meet increasing needs and to discharge federal responsibilities in National dam safety is needed.

(8) Statutory authority will strengthen FEMA's leadership role, will codify the National Dam Safety Program, and will authorize the Director of FEMA (hereinafter in this Act referred to as the "Director"), to communicate directly with Congress on authorizations and appropriations and to build upon the hazard reduction aspects of National dam safety.

SECTION 3. PURPOSE.

It is the purpose of the Congress in this Act to reduce the risks to life and property from dam failure in the United States through the establishment and maintenance of an effective National Dam Safety Program which will bring together the federal and non-federal communities' expertise and resources to achieve National dam safety hazard reduction.

It is not the intent of this act to preempt any other federal or state authorities. This act does supersede the Dam Safety Act of 1986 (Title XII, P.L. 99-662)

SECTION 4. DEFINITIONS.

(1) The term "federal" means any federal agency that designs, finances, constructs, owners, operates, maintains, or regulates the construction, operation, or maintenance of any dam.
(2) The term "non-federal" means any state agency that has regulatory authority over the safety of non-federal dams.
(3) The term "Federal Guidelines for Dam Safety" as identified in the act refers to a FEMA publication (No. 93/June 1979) which defines management practices for dam safety at all federal agencies.
(4) The term "includes" and variants thereof should be read as if the phrase "but is not limited to" were also set forth.
(5) The term "program" means the national dam safety program established under Section 5.
(6) The term "dam" means any artificial barrier with the ability to impound water, wastewater, or liquid-borne materials, for the purpose of storage or control of water, which is (a) 25 feet or more in height from the natural bed of the stream or watercourse measured at the downstream toe of the barrier, or from the lowest elevation of the outside limit of the barrier, if it is not across a stream channel or watercourse, to the maximum water storage elevation; or, (b) has an impounding capacity for maximum storage elevation of 50 acre-feet or more. This definition does not apply to any such barrier which is not greater than 6 feet in height regardless of storage capacity or which has a storage capacity at maximum water storage elevation not greater than 15 acre-feet regardless of height, unless such barrier, due to its location or other physical characteristics, is likely to pose a significant threat to human life or property in the event of its failure.
(7) The term "hazard reduction" means those efforts utilized to reduce the potential consequences of dam failure to life and property.
(8) The term "state" means each of the 50 States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth

of the Mariana Islands, and any other territory or possession of the United States.
(9) The term "United States" means, when used in a geographical sense, all of the States as defined in Subsection (5).
(10) The term "Model State Dam Safety Program" refers to a document, published by FEMA (No. 123/April 1987) and its amendments, developed by state dam safety officials, which acts as a guideline to state dam safety agencies for establishing a dam safety regulatory program or improving an already-established program.

SECTION 5. INTERAGENCY COMMITTEE ON DAM SAFETY

(a) There is hereby established an Interagency Committee on Dam Safety ((hereinafter referred to as "ICODS"), chaired by FEMA, comprising the federal agencies as defined including the Departments of Agriculture, Defense, Energy, Interior, and Labor; the Federal Energy Regulatory Commission; Nuclear Regulatory Commission; International Boundary Commission (U.S. Section); Tennessee Valley Authority; and, FEMA.

(b) Duties--ICODS will encourage the establishment and maintenance of effective federal and state programs, policies, and guidelines intended to enhance dam safety for the protection of human life and property through coordination and information exchange among federal and non-federal agencies.

SECTION 6. NATIONAL DAM SAFETY PROGRAM

(a) AUTHORITY - The Director of FEMA, in consultation with ICODS and state dam safety agencies, shall establish and maintain, in accordance with the provisions and policies of this Act, a coordinated National Dam Safety Program. This program shall:

(1) be administered by FEMA to achieve the objectives set forth in Subsection (c) of this Section;

(2) involve, where appropriate, each of the agencies listed in Section (5); and

(3) include each of the components described in Subsection (d) of this Section, the implementation plan described in Subsection (e), and the assistance to the states specified in Section 8.

(b) DUTIES. - The Director shall:

(1) within 270 days after the date of enactment of this Act, develop the implementation plan described in Section (6); Subsection (e);

(2) within 300 days after such date of enactment, submit to the appropriate authorizing committees of the Congress the implementation plan described in Subsection (e) of this Section; and

(3) by rule, within 360 days after such date of enactment:

(A) develop and implement the National Dam Safety Program;

(B) establish goals, priorities, and target dates for implementation of the Program; and,

(C) provide a method for cooperation and coordination with, and assistance to (as feasible), interested governmental entities in all states.

(c) OBJECTIVES. - The objectives of the National Dam Safety Program are as follows:

(1) ensure that new and existing dams are safe through the development of technologically and economically feasible programs and procedures for National dam safety hazard reduction;

(2) encourage acceptable engineering policies and procedures used for dam site investigation, design, construction, operation and maintenance, and emergency preparedness;

(3) encourage establishment and implementation of effective dam safety programs in each state based on state standards;

(4) develop and encourage public awareness projects to increase public acceptance and support of state dam safety programs;

(5) develop technical assistance materials for federal and non-federal dam safety programs; and

(6) develop mechanisms with which to provide federal technical assistance for dam safety to the non-federal sector.

(d) COMPONENTS - The National Dam Safety Program shall consist of two elements; the federal and non-federal; and three functional activities: A) Leadership, B) Technical Assistance, and C) Public Awareness.

(1) Elements

(A) The federal element will incorporate all the activities and practices undertaken by the federal agencies under Section 5 to implement the "Federal Guidelines for Dam Safety".

(B) The non-federal element involves the activities and practices undertaken by the States, local governments and the private sector to safely build, regulate, operate and maintain dams and federal activities which foster state efforts to develop and implement effective programs for the safety of dams.

(2) Activities

(A) The Leadership activity shall be the responsibility of FEMA and be exercised by chairing ICODS to coordinate federal efforts in cooperation with state dam safety officials.

(B) The Technical Assistance activity involves the transfer of knowledge and technical information among the federal and non-federal elements.

(C) The Public Awareness activity provides for the education of the public, including state and local officials, to the hazards of dam failure and ways to reduce the adverse consequences of dam failure, and related matters.

(e) IMPLEMENTATION PLAN. - The Director shall develop an implementation plan which shall set year-by-year targets through Fiscal Year 2000, and shall recommended appropriate roles for federal agencies and for state and local units of

government, individuals, and private organizations, in carrying out the implementation plan.

(1) In order to encourage the establishment and maintenance of effective programs intended to ensure dam safety to protect human life and property, and to improve such existing programs, the Director shall provide assistance under the terms of Section 8 of this Act to states to assist them in establishing and maintaining dam safety programs, first, according to the basic provisions for a dam safety program listed below and, second, according to more advanced requirements/standards, authorized by the Review Board established in Section (e)(3) of this Section and the Director with the assistance of established criteria such as the ASDSO Model State Dam Safety Program. State dam safety programs must be working toward meeting the following criteria to be eligible for primary assistance or must meet the following criteria prior to working toward advanced assistance:

(A) a dam safety program must be authorized by state legislation to include, at a minimum, the following:

(i) authority to review and approve plans and specifications to construct, enlarge, modify, remove, or abandon dams;

(ii) authority to perform periodic inspections during construction for the purpose of ensuring compliance with approved plans and specifications;

(iii) requirement that, upon completion of construction, state approval is given for operation of the structure;

(iv) authority to require or perform the inspection all dams and reservoirs that pose a significant threat to human life and property in the event of failure at least every five years to determine their continued safety, and a procedure for more detailed and frequent safety inspections;

(v) a requirement that all inspections be performed under the supervision of a registered professional engineer with related experience in dam design and construction;

(vi) the authority to issue notices, when appropriate, to require owners of the dams to perform necessary maintenance or remedial work, revise operating procedures, or take other actions, including breaching dams when deemed necessary;

(vii) rules and regulations for carrying out the provisions of the state's legislative authority, and necessary emergency funds to assure timely repairs or other changes to, or removal of, a dam in order to protect human life and property; and, if the owner does not take action, to take appropriate action as expeditiously as possible; and,

(viii) the state has or can be expected to develop a system of emergency procedures that would be utilized in the event a dam fails or in the event a dam's failure is imminent together with an identification of those dams where failure could be reasonably expected to endanger human life and of the maximum area that could be inundated in the event of a failure of such dam, as well as identification of those necessary public facilities that would be affected by such inundation.

(B) state appropriations budgeted must be budgeted to carry out the provisions of the legislation.

(2) The Director shall enter into contracts with each state participating in this assistance program to determine a work plan necessary for a particular state dam safety program to reach a level of program performance previously agreed upon in the contract. Federal assistance under this act will be provided to aid the state dam safety program in achieving its goal.

(3) There is authorized to be established a National Dam Safety Review Board (hereinafter in this Act referred to as the 'Board'), which shall be responsible for monitoring state implementation of this Act. The Board is authorized to utilize the expertise of other agencies of the United States and to enter into contracts for necessary studies to carry out the requirements of this section.

(4) The Board shall consist of nine members selected for their expertise in dam safety; five to represent the Federal Emergency Management Agency; the Federal Energy Regulatory Commission; and the Departments of Agriculture, Defense, and Interior; and four members, selected by the Director, who are dam safety officials of states.

(5) No grant may be made to a state under this Section, in any fiscal year, unless such state enters into such agreement with the Director as the Director may require to ensure that such state will maintain its aggregate expenditures from all other sources for programs to assure dam safety for the protection of human life and property at or above the average level of such expenditures in its two fiscal years preceding the date of enactment of this Act.

(6) Any program which is submitted to the Director for participation in this program under the authority of this Section, shall be deemed approved 120 days following its receipt by the Director unless the Director determines within such 120-day period that such program fails to reasonably meet the requirements of Subsection (e)(1) and (e)(2) of this Section. If the Director determines such a program cannot be approved for participation, he shall immediately notify such state in writing, together with his reasons and those changes needed to enable such plan to be approved.

(7) Utilizing the expertise of the Board established under Subsection (e)(3) of this Section, the Director shall periodically review the approved state dam safety programs. In the event the Board finds that a state program under this Act has proven inadequate to reasonably protect human life and property, and the Director agrees, the Director shall revoke approval of such state participation, and withhold assistance under the terms of Section 8 of this Act, until such State program has been reapproved.

(8) The head of any federal agency, when requested by any state dam safety agency, shall provide information on the construction, operation, or maintenance of any dam or allow officials of such state agency to participate in any federal inspection of any dam.

(9) The Director shall within 180 days after the date of enactment of this Act report to the Congress on the availability of dam insurance and make recommendations.

(10) The Director shall within 360 days after the date of enactment of this Act report to Congress on the need for funding for the U.S. Department of Agriculture,

Soil Conservation Service, to conduct rehabilitation on federally-assisted projects constructed under its authority.

(11) The Director shall within 240 days after the date of enactment of this Act report to the Congress on the need for Federally guaranteed, low-interest, funding sources for rehabilitation of unsafe dams.

SECTION 7. BIENNIAL REPORT.

The Director shall, within 90 days after the end of each odd numbered fiscal year, submit a biennial report to the Congress describing the status of the program, and describing the progress achieved by the federal agencies during the two previous years in implementing the "Federal Guidelines for Dam Safety". Each such report shall include any recommendations for legislative and other action deemed necessary and appropriate. The report shall also include progress by the participating states.

SECTION 7. AUTHORIZATION OF APPROPRIATIONS.

(a) GENERAL. - There are to be authorized to be appropriated to the Director of FEMA to carry out the provisions of Sections 5, 6, and 7 of this Act (in addition to any authorizations for similar purposes included in other Acts and the authorizations set forth in Subsections (a) through (e) of this Section) not to exceed $16,400,000 for each of the fiscal years ending September 30, 199x, through September 30, 199x, and appropriated for the following purposes:

(1) There is authorized to be appropriated to the Director, $13,000,000 for each of the fiscal years ending September 30, 199x through September 30, 199x. Sums appropriated under this Section shall be distributed annually among states on the following basis: One-third among those States determined in Section (6) of this act as qualifying for funding, and two-thirds in proportion to the number of dams as defined in this act and appearing as state-regulated dams on the National Dam Inventory in each state that has been determined in Section (6), Subsection (e)(1) of this Act as qualifying for funding, to the number of dams in all states participating under this act. In no event shall funds distributed to any state under this Section exceed 50 percent of the reasonable cost of implementing an approved dam safety program in such state. The Director and Review Board shall determine how much is allotted to those states needing primary funding and those needing advanced funding.

(2) The Director shall, at the request of any state that has or intends to develop a dam safety program under Section (6), Subsection (e)(1) of this Act, provide training for state dam safety staff and inspectors. There is authorized to be appropriated to carry out this Section $500,000 for each of the fiscal years ending September 30, 199x, through September 30, 199x.

(3) The Director, in cooperation with ICODS, shall undertake a program of technical and archival research in order to develop improved techniques, historical experience and equipment for rapid and effective dam construction, rehabilitation, and inspection; together with devices for the continued monitoring of dams for safety purposes. The Director shall provide for state participation in such research and periodically advise all states and the Congress of the results of such research. There is authorized to be appropriated to carry out this Section, $2,000,000 for each of the fiscal years ending September 30, 199x, through September 30, 199x.

(4) The Secretary of the Army, acting through the Chief of Engineers, is authorized to maintain and periodically publish updated information on the inventory of dams. For the purpose of carrying out this Section, there is authorized to be appropriated to the Corps of Engineers $500,000 for each fiscal year ending September 30, 199x, through September 30, 199x.

(5) The Director is authorized to employ additional staff personnel in numbers sufficient to carry out the provisions of this Act. For the purpose of carrying out this Section, there is authorized to be appropriated to the Director $400,000 for each fiscal year ending September 30, 199x, through September 30, 199x.

(b) No funds authorized in this Act shall be used to construct or repair any Federal or non-federal dams.

1993 State Dam Inventory Data

Please Note: Inventory sizes vary from state-to-state because of number of dams, but also because state laws vary on which dams are included under their jurisdiction.

State	Total National Inventory[1]	Total State Inventory[2]	State High-Hazard[3]	State Unsafe[4]	Government Ownership[5]
Alabama	1,571	1,704	184	150	28
Alaska	146	87	18	0	57
Arizona	430	202	71	23	135
Arkansas	1,179	1,237	139	44	333
California	1,580	1,220	272	1	833
Colorado	1,946	1,684	221	4	524
Connecticut	739	2,679	239	N/R	258
Delaware	73	95	8	4	30
Florida	570	N/R	N/R	N/R	12
Georgia	4,331	4,194	353	24	471
Hawaii	129	125	64	0	28
Idaho	416	435	93	33	69
Illinois	1,100	1,166	156	3	316
Indiana	866	1,531	137	104	199
Iowa	2,465	2,514	66	2	1,399
Kansas	5,699	12,186	157	35	1,373
Kentucky	1,096	904	140	5	380
Louisiana	346	307	9	0	87
Maine	601	462	47	278	54
Maryland	262	346	51	3	135
Massachusetts	1,541	2,906	335	42	726
Michigan	902	902	146	15	382
Minnesota	774	799	38	N/R	383
Mississippi	3,193	3,226	182	5	57
Missouri	3,541	3,832	658	87	212
Montana	3,282	3,536	163	32	339
Nebraska	2,125	2,297	81	0	1,027
Nevada	399	371	58	14	98
New Hampshire	631	4,533	88	0	325
New Jersey	792	1,572	190	33	327
New Mexico	491	501	162	8	159
New York	1,970	5,626	373	69	850
North Carolina	2,685	4,550	621	21	329
North Dakota	492	524	25	5	256
Ohio	1,665	2,673	480	450	492
Oklahoma	4,532	4,463	187	20	92
Oregon	835	3,670	122	6	212
Pennsylvania	1,300	2,823	746	24	494
Puerto Rico	40	N/R	N/R	N/R	30
Rhode Island	189	506	17	0	84
South Carolina	2,257	2,237	143	5	331
South Dakota	2,336	2,317	47	7	273
Tennessee	1,009	1,054	174	27	358
Texas	6,342	6,493	753	121	2,457
Utah	617	613	204	UNK	171
Vermont	335	1,827	47	1	175
Virginia	1,518	456	99	42	80
Washington	709	1,152	151	12	293
West Virginia	572	332	238	52	290
Wisconsin	1,197	1,165	145	N/R	670
Wyoming	1,765	1,485	85	7	142
TOTAL	75,591	101,519	9,383	1,818	18,835

1 - Includes federal and non-federal dams over 25' in height or 50 acre-feet in volume; or anything above 6' ft in height with downstream damage potential should it fail
2 - Includes all dams under state regulatory control
3 - High-Hazard by state definition derived from state inventory in column 2
4 - Unsafe dams by state definition (varies state to state) derived from state inventory in column 2
5 - Derived from national inventory in column 1 | N/R = Not Reporting. Some states do not keep data on "high-hazard" and/or "unsafe" categories.

TESTIMONY

MS. SUSAN KUPFERMAN,DIRECTOR

NEW YORK STATE CANAL RECREATIONWAY COMMISSION

BEFORE THE

SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT

HOUSE PUBLIC WORKS AND TRANSPORTATION COMMITTEE

JULY 26, 1994

Good Morning Mr. Chairman, Mr. Boelhert and members of the Subcommittee.

Thank you for the opportunity to appear here this morning to explain our request for authorization for federal expenditures to enhance and maintain a national treasure, the historic Erie Canal and the system of canals in the State of New York.

Mr. Chairman, in 1992 the New York State Legislature transferred responsibility for the stewardship of the New York Canal System from the New York State Department of Transportation to the New York State Canal Corporation, a subsidiary of the New York State Thruway. In 1991, the Constitution of the State of New York had been changed eliminating a prohibition on canal tolls and long-term leasing of canal land, paving the way for the system's redevelopment.

Under the leadership of the Chairman of the New York State Thruway, Peter Tufo, a comprehensive inventory of the canal system's historic, natural and cultural assets was undertaken. This inventory provides the foundation for our long-term vision of the canal as an historic, cultural and economic resource and gives focus to our goals of preserving the ecology of the canal, enhancing the appreciation of the canal as an historic landmark and magnifying its presence through appropriate development.

Constructed in the early 1800's, the New York State Canal System is celebrated in song and recognized as an historic treasure. The Erie Canal, of course, is the most famous, but the canal system also includes the Champlain, the Oswego and the Cayuga-Seneca Canals. This system, built, owned and operated by the State of New York, extends 524 miles and connects the Hudson River and Lake Champlain with the Great Lakes. The canal system also links New York City with Montreal and Toronto.

The New York State Canal System, Mr. Chairman, was built without benefit of the participation of the federal government, but a federal-state partnership is essential to its future. We have a remarkable economic, historic and cultural asset and an ambitious mandate and plan for its improvement, but the investment we need to accomplish our ambitions is limited. Because the State Legislature did not want to put undue pressure on highway toll rates, it placed a cap on the amount of bonds that can be issued for canal-related

purposes. Our annual cost to operate the existing facility takes up about one-half of the amount we can raise through bonds in any given year.

Our request of this committee is that it authorize appropriations for the New York State Canal System in the same manner that you authorized expenditures for the Illinois and Michigan Canal in your 1992 legislation (Public Law 102-580). This would not be the first time we have secured Congressional authorization. In 1986, $5 million was authorized for the capital rehabilitation of the canal system. That funding was subsequently appropriated. Our needs for funding at this time include the development of an end-to-end trail system; municipal recreation projects and capital improvements and dredging to our on-going commercial navigation.

Mr. Chairman, we believe that investment in the goals of the New York Canal Commission is a sound investment in preserving our history and enhancing our economic future. In fact, in 1988 the U.S. Army Corps of Engineers, although it examined only a limited range of economic factors, found that for every dollar invested in the canal system, a return on investment of $1.69 was realized.

Finally, Mr. Chairman, I would be remiss if I failed to acknowledge the outstanding contribution made to our canal system's development by Congressman Boelhert. He has always been most attentive to our needs on New York State Thruway concerns and possesses a thorough and creative knowledge of the canal system and its potential. We

deeply appreciate the attention he and his staff have shown to our needs in this area.

Thank you again for the opportunity to appear here today and I would be happy to answer any questions you might have.

STATEMENT OF JOSEPH E. LEMA
VICE PRESIDENT FOR TRANSPORTATION
NATIONAL COAL ASSOCIATION

before the

PUBLIC WORKS AND TRANSPORTATION
SUBCOMMITTEE ON WATER RESOURCES
AND ENVIRONMENT
U.S. HOUSE OF REPRESENTATIVES

Washington, D.C.
July 26, 1994

Summary of Testimony

Mr. Chairman and members of the Subcommittee, I am Joseph E. Lema, vice president for transportation of the National Coal Association (NCA). Our member companies account for approximately three-fourths of the coal produced in the United States.

Currently, more than 185 million tons of U.S. coal are transported by barges annually on the 11,000-mile system of interconnected, commercially navigable, inland and intracoastal waterways of the U.S. to utility and industrial plants and to Gulf Coast ports engaged in transshipments of coal into domestic coastal commerce and into international coal trade. We believe that the demand for barge coal transportation services will rise by as much as 20 percent above current annual barge coal tonnage in the early years following the turn of this century.

The waterways system from the junction of the Mississippi and Ohio Rivers at Cairo, Illinois which reaches from Minneapolis to the Gulf of Mexico and from the Mississippi/Ohio River junction to Pittsburgh, linked with many connecting waterways such as the Kanawha River in West Virginia and the Tennessee River that reaches southerly and easterly from the Ohio River into Kentucky, Tennessee, and Alabama, is a principal coal traffic network for intermodal rail/barge and truck/barge shipments with originations in the Appalachian Region, the Midwest, and Western coal states.

My purpose in appearing before you today is particularly to focus attention on commercial navigation on the Kanawha River and on the Tennessee River, and to urge the Subcommittee to report lock and dam construction project authorizations for the Marmet Locks and Dam on the Kanawha River and for the Kentucky Locks and Dam on the Tennessee River, for inclusion in the Water Resources Development Act of 1994. These are critical projects which fit well into an orderly waterways construction program underway due to the diligent leadership of this Subcommittee, especially in the years following enactment of the landmark Water Resources Development Act of 1986. Benefit/cost ratios of 2.1-to-1.0 and 1.7-to-1.0 have been reported by the U.S. Army Corps of Engineers respectively for constructing a new 800' by 110' lock at Marmet and the addition of a 1,200' by 110' lock at the Kentucky L&D.

2.

Preservation of an Effective Inland Waterways Infrastructure Benefits Consumers of Electricity Fueled by Utility Coal Use

The 11,000-mile system of interconnected, commercially navigable, inland waterways plays a major role in assuring that the nation's consumers have the benefit of rates for electricity that are held down by virtue of utility coal use in generating power for industrial, commercial, and residential customers. Extensive competition among barge lines and with other surface freight transportation modes, makes water carrier transportation a highly utilized source of coal traffic services, linking mines in Appalachia and the Midwest by virtue of rail/barge and truck/barge connections, and coal mines in the West by virtue of rail/barge connections, with electric utility plants located in populous states from the Upper Midwest to the Gulf of Mexico, in the Ohio River Basin, in the Tennessee River Valley, and on the Warrior-Tombigbee River System.

We have seen barge line coal traffic grow from less than 60 million tons annually in the early 1950s, to 130 million tons annually by the late 1970s, and to more than 185 million tons annually in the early 1990s. NCA expects barge coal traffic to reach 220 million tons annually in the first years following this century, a rise of approximately 20 percent above today's level. About 85 percent of total barge coal tonnage is delivered to utility plants often located on, or readily accessible from, the inland waterways and the Gulf of Mexico. Competitive barge coal transportation services, which hold down the delivered price of coal including the price at the mine and the cost of transportation, are an important factor in holding down rates charged consumers of electricity generated by coal-fired utility plants.

Coal's share of total fuel consumed for power generation is approximately 56 percent. NCA expects 1994 coal production in the U.S. to reach a record 1.032 billion tons with the demand for coal consumption in the U.S. and coal exports to stand at 1.013 billion tons, of which utility coal consumption should total 834 million tons, more than 82 percent of total domestic consumption plus exports. Coal deliveries to electric utilities are forecast to reach 847 million tons in 1994, which includes tonnage to be added to utility stockpiles that were drawn down significantly last year. With the demand for electricity rising at more than two percent per year, and the strong position of low cost coal as the fuel of choice for generation of electricity, plus the strategic location of many utility plants on, or near, the waterways, the role of the inland waterways system and the barge line industry that provides commercial traffic services on the waterways system, should continue to be substantial in the years ahead, calling for constant attention to the capability of the channels and navigation control structures, i.e. locks and dams, in accommodating barge traffic efficiently and safely.

Since enactment of the landmark Water Resources Development Act of 1986, and subsequent bi-annual water resources authorization legislation made possible through the leadership of this Subcommittee, nine new lock and dam construction projects of

critical importance to relieving barge traffic congestion, and to the replacement of aged, deteriorated, and under-sized lockage facilities on five waterway segments which are major coal routes, i.e. the Kanawha, Mississippi, Monongahela, Ohio, and Warrior-Tombigbee Rivers, have been authorized. In fact, at four of those authorized construction projects, new locks are now open to barge traffic, at another three projects construction is now in progress, and for the other two projects pre-construction engineering and design work is underway. This clearly demonstrates that such well-justified, job-creating infrastructure improvements can be authorized, funded, and performed under the diligent leadership of this Subcommittee and the project management efforts of the U.S. Army Corps of Engineers.

The five waterways segments just mentioned, plus certain other rivers that join the Ohio and Mississippi Rivers, carry more than 185 million tons of coal annually, representing 32 percent of total freight tonnage on the inland waterways system. It is now timely and warranted to authorize two additional lock and dam construction projects fitting an orderly schedule of waterways improvements commensurate with current and projected growth in the demand for coal and other bulk commodities traffic services, one on the Kanawha River in West Virginia, and one on a sixth major coal route, the Tennessee River which flows through Kentucky, Tennessee, and Alabama, southerly and easterly from its junction with the Ohio River. The Kanawha and the Tennessee Rivers respectively are now carrying 17 million and 22 million tons of coal annually. Serious delays are experienced and anticipated in the years ahead at the aged, obsolete Marmet Locks and Dam on the Kanawha River, and at the Kentucky Locks and Dam on the Tennessee River, delays that adversely affect the movement of coal especially to utility plants in the eastern U.S.

The Marmet Locks and Dam Should Be Replaced with a New Facility That Incorporates an 800' by 110' Lock as Provided at Winfield

One of the presently authorized lock and dam construction projects now under construction is at Winfield on the Kanawha River in West Virginia, the busiest such facility in terms of lockage demands on the Ohio River System. The Kanawha River Valley and environs represent a principal coal-producing region growing in coal production to meet rising utility coal demand. Already carrying 17 million tons of coal annually, the Kanawha River from its headwaters in West Virginia to its junction with the Ohio River just above the newly reconstructed Robert C. Byrd Locks and Dam, has serious barge traffic congestion both at the existing Winfield facility and at its upstream mate, the Marmet Locks and Dam.

The new 800' by 110' lock chamber being built at Winfield is a critical step in providing efficient barge movements on the Kanawha River, a step which should be matched by authorizing construction of a similar 800' by 110' lock chamber at Marmet. More than 90 percent of the coal tonnage moved by barge through the Winfield facility first must transit Marmet inasmuch as the

coal traffic enters the river in the Marmet pool and can not reach the Winfield facility without first clearing Marmet. From a systems approach, and for realizing maximum benefits from sorely needed navigation improvements at Winfield and Marmet, the lock and dam construction projects at both of the facilities should be synchronized and completed expeditiously.

In addition to three basic reasons for authorizing the Marmet construction project in the Water Resources Development Act of 1994, a fourth reason was detected during a field hearing conducted by the U.S. Army Corps of Engineers several months ago in Belle, West Virginia near the project site. At the hearing, NCA and other witnesses testified as to the need for additional barge traffic capacity, the importance of timing the Marmet project in step with the nearby Winfield project, and the high benefit/cost ratio determined by the Corps in support of the project, calculated at 2.1-to-1.0. Beyond that, however, many persons attending the public hearing who reside on property that must be acquired to reconstruct the Marmet facility to incorporate a new 800' by 110' lock chamber, urged that if it is decided that the project is necessary in the public interest, then an early decision to move forward is desirable and appropriate in order to let property acquisition proceedings commence without undue delay, enabling early relocations without the fear of facing many years of uncertainty affecting the value and the ultimate disposition of the residences and businesses on the site.

The Corps reports that the Marmet Locks and Dam is the second busiest facility on the Ohio River System which includes the Ohio River and its Upper Ohio River Basin Tributaries like the Kanawha River. Small, twin 360' by 56' lock chambers can accommodate only one modern jumbo barge at a time, leading to extensive back-ups and delays. The Corps recommends construction of an 800' by 110' lock, for which preconstruction engineering and design has been initiated and scheduled for an orderly completion. With that in mind, and in consideration of the urgent need to have a modern facility in place at an early date, we believe that it is now most timely to authorize Marmet project construction.

The Kentucky Locks and Dam Located at the Gateway to the Tennessee River Valley Near a Hub of the Inland Waterways System Connecting the Mississippi, Ohio, and Tennessee Rivers Requires More Capacity

Now carrying 22 million tons of coal annually, the Tennessee River is one of the nation's leading coal-carrying waterways. At a point immediately downstream from the Tennessee River's junction with the Ohio River, and near the point where the Ohio River joins the Mississippi River, the Kentucky Locks and Dam is a strategic gateway to the Tennessee River Valley and utility plants in the reach of the Tennessee River as it flows through Kentucky, Tennessee, and Alabama to the south and east of the hub of the three major coal-carrying rivers centered in Illinois, Kentucky, and Missouri.

This hub of the Mississippi, Ohio, and Tennessee Rivers, while not at one fixed point, nonetheless marks a relatively

small area in the vicinity of Cairo, Illinois and Paducah, Kentucky where interconnected upstream reaches of the Mississippi and Ohio Rivers and downstream reach of the Tennessee River are locations for many modern intermodal rail/barge and truck/barge coal storage, blending, and cargo transfer terminals. Such terminals are of particular importance today as the utilities adopt strategies for meeting requirements of the 1990 Clean Air Amendments, which often involve wider use of low sulfur coals in fuel switching or blending with higher sulfur coals to reduce emissions. The hub of river traffic just mentioned is well placed to receive coals of varying physical properties, including sulfur content, from mines in Appalachia, the Midwest, and the Western coal-producing states, and perform blending operations prior to transshipment to the utility plants, often by barge.

Coupled with high current and projected barge coal tonnage and the need to reduce barge traffic congestion and delays at the Kentucky Locks and Dam, the gateway to the Tennessee River Valley, the existence of modern river coal terminals for such transshipments of blended coals nearby reinforces the desirability of authorizing the Kentucky Locks and Dam project in the Water Resources Development Act of 1994. The U.S. Army Corps of Engineers has recommended the addition of a new 1,200' by 110' lock chamber at the site, and calculates the benefit/cost ratio of that improvement to amount to 1.7-to-1.0. The Corps already has received funding for the start of foundation exploration, mapping, and hydraulic modeling in preconstruction engineering and design of the recommended Kentucky Lock Addition project. We have noted, with high interest, that in testifying before the Subcommittee on July 19, 1994, Representative Tom Barlow reported "the Kentucky Lock project is supported by local citizens." In recognition of several factors, including the need to relieve barge traffic congestion, the documented level of benefits to be received in comparison with the costs incurred, the progress made by the Corps in the preconstruction phase, and the broad support for the project on the record, it is now timely and well justified to authorize the Kentucky Lock Addition project in the Water Resources Development Act of 1994.

Conclusion of Testimony

Mr. Chairman and members of the Subcommittee, NCA warmly appreciates this opportunity to be heard as you consider the Water Resources Development Act of 1994. Your leadership in preserving efficient, reliable, and competitive navigational capabilities of the inland waterways system is crucial. I will be glad to respond to any questions.

TESTIMONY OF RICHARD BAD MOCCASIN

ON BEHALF OF
MNI SOSE INTERTRIBAL WATER RIGHTS COALITION
P. O. BOX 226
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HEARING ON THE WATER RESOURCES DEVELOPMENT ACT OF 1994 AND ISSUES RELATED TO REAUTHORIZATION OF THE CIVIL WORKS PROGRAM OF THE U.S. ARMY CORPS OF ENGINEERS

BEFORE THE HOUSE SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT

JULY 26, 1994

On behalf of the Mni Sose Intertribal Water Rights Coalition, I thank Chairman Applegate and members of the Subcommittee for the opportunity to provide testimony on critical issues affecting water resource planning and development on tribal lands.

I am Richard Bad Moccasin, Executive Director of the Mni Sose Intertribal Water Rights Coalition, a group representing 22 Indian Tribes located in the Missouri River Basin. The protection and management of tribal water and other natural resources in the Missouri River watershed is a priority of the Missouri River Tribes and the Coalition.

The Missouri River and its tributaries provide an immense natural resource. The 530,000 square mile basin drains one-sixth of the nation. Tribes control more than 15 million acres of the Basin, stretching from the River's headwaters in Montana to its mouth in Missouri.

The water resources of the Missouri River Basin have been extensively developed. There are 28 major reservoirs in the basin, including the third, fourth and fifth largest in the United States. Seven hydroelectric plants generate power that is distributed to customers within and outside the Basin. The water supply needs of 4 million people and their associated industrial and commercial activity are met by the river. Basin development has provided billions of dollars of benefits in flood control, navigation and recreation.

A large share, perhaps as much as 25 to 40 percent, of these benefits have been generated by the use of water originating from or flowing through tribal lands. Despite historical and legal rights to this water, the Coalition's 22 member Tribes have not participated fully in the benefits of Missouri River water and its development.

In fact development of the Missouri River resulting from the Pick-Sloan Plan required tribes to sacrifice over 350,000 acres of land when the main stem reservoirs were filled. These lands were often the most productive bottomlands, and provided good quality water and a stable economic base to riverside reservation communities. When the bottomlands were flooded, reservation

residents were forced to the uplands with its a limited quantity of poor quality water for domestic, livestock, irrigation and commercial and industrial use.

The United States government failed to fulfill its promises to develop irrigation on tribal lands and to allow tribal participation in the generation of electricity, in exchange for inundating the economic base of the tribes. This resulted in a shift of economic wealth from reservations, generally the most economically depressed areas in the Missouri River Basin, to more affluent economic sectors, within and outside the Basin.

The recently released report of the Interagency Floodplain Management Review Committee documents that storage of flood waters in the six main stem Missouri River reservoirs prevented $4.1 billion in damages in the 1993 Midwest flood alone. Assuming flood benefits are averaged over upstream acreage inundated, tribal lands flooded to provide that water storage saved downstream Missouri Basin interests $1 billion in flood damages.

As the federal government developed the Missouri River, agencies recognized the predominance of Indian Winters doctrine rights to water in the Missouri River basin. However, these agencies failed to uphold federal trust responsibilities to assure Indian water was developed in a way that would benefit Indian tribes and their members.

Today tribes who want to undertake water resource development are placed in a passive role not because of apathy or lack of desire, but because such development requires technical expertise and financial resources that are beyond their present reach.

The Water Resource Development Act of 1994 could provide one vehicle for assuring that the historic failure of the United States government to protect Indian water rights won't be repeated as water resource development in the Basin continues.

Mni Sose urges this subcommittee to include several key provisions in this year's Water Resources Development Act.

I. Amend Statute to Include a Five-year Waiver of Cost Sharing Requirement for Water Resource Planning By Tribes.

Congress did not require a state or local government to share study or project costs until 1986. Projects were developed and constructed at federal government expense. In 1986 Congress decided that cost sharing would weed out "pork barrel" projects, allowing limited federal dollars to go to those projects that were feasible, met a need, and had local participation.

Mni Sose agrees with Congress' goals. However, the Coalition points out that application of cost share requirements has stymied the Congressional goal, enacted in 1992, to extend Section 22 water planning efforts to tribes. The Coalition is not aware of any Section 22 study completed or in the progress on tribal lands.

It's not hard to understand why Missouri Basin Tribes have not been able to participate. For the most part tribes in our region do not have the money or the budgetary flexibility to fund water

resource development planning to the levels required under the Act. The cost share requirement and the lack of in-house expertise, especially with the smaller tribes, precludes tribal participation, despite extension of Section 22 to tribes.

A five-year cost-share waiver for planning tribal water resource projects would allow tribes to develop viable projects as they gain expertise in water resource planning. The waiver provision should require tribal participation in the project, but specified dollar amounts should be waived.

II. Provide For Tribal Participation In Hydroelectric Power Uprating

"Uprating" of hydroelectric generating stations through use of new technology or better efficiency will provide additional marketable power, which will bring in additional revenues. The additional power or the revenue derived therefrom should be allocated to Tribes.

Wilbur Between Lodges, Chairman of the Oglala Sioux Tribe, testified on behalf of Mni Sose to at a June 16 hearing of the House Natural Resource Committee regarding the failure of the Western Area Power Administration to provide power allocation to Missouri River Basin Tribes even though tribal Winters' doctrine water generates the hydroelectric power on the Mainstem Missouri River dams.

> "In the case of the Missouri River basin, the property used by the United States, in part, to operate Pick-Sloan is the Winters doctrine rights to the use of water of the Tribes. Our rights are undeveloped by us for the reasons previously stated: commitment of water to non-Indians, commitment of water to Pick-Sloan and absence of financing for Indian projects."

Mni Sose asked for WAPA power allocation to Tribes or a portion of revenues derived from marketing power to others that fairly accounts for tribal water contributions to generation of the Pick-Sloan electrical generation. The Coalition recognizes, however, that current WAPA allocation contracts expire in 2004. It is unlikely that this avenue will provide for Tribes' immediate water development needs.

The Water Resources Development Act should include a provision that Tribes be allocated the power, or revenues derived from marketing the power resulting from uprating of hydroelectric power projects.

III. Provide a Grant to Mni Sose for Tribal Water Resource Planning

Twelve of the 28 Missouri Basin Tribes lack water resource programs. Tribes that have programs lack adequate funding, expertise and technical data analysis capabilities to compete for Corps resources in the Missouri River Basin. Mni Sose Intertribal Water Rights Coalition could provide the necessary technical services and serve as an intermediary between the Army Corps of Engineers and Tribes to plan and develop water resources on Indian lands in a prudent and culturally appropriate manner.

We have made it clear above that we encourage greater participation by the Army Corps of Engineers in tribal water resource development. We do, however, want to assure that water resource planning and construction activities not only build beneficial and economically feasible projects, but also enhance tribal capabilities. Mni Sose estimates that $500,000 per year would fund our Technical Services Center to provide water resource information, current water resources techniques and practices and experienced professionals to assist Missouri River Basin tribes.

Mni Sose identified a source of revenue for this grant in the additional marketable power available from the uprating of hydroelectric power generating facilities. The Water Resources Development Act should include a $500,000 grant for Mni Sose's Technical Support Center to enhance Tribes' water planning activities.

Statement of
Victor Monz III
Vice President, Marine Contracting Corporation
on behalf of the
Dredging Contractors of America
before the
Subcommittee on Water Resources and Environment
Committee on Public Works and Transportation
July 26, 1994

Good morning, Mr. Chairman. My name is Victor Monz III, Vice President, Marine Contracting Corporation, Lorain, Ohio. I am testifying today on behalf of the Dredging Contractors of America, the national trade association of the marine construction and dredging industry. DCA was founded last year in a merger of the small business dredging association and the National Association of Dredging Contractors. Our members perform more than 80 percent of the Corps of Engineers' contract dredging and 100 percent of the private hopper dredge workload. With me is Mark Sickles, DCA's Executive Director.

Mr. Chairman, we thank you for holding this hearing and would like to communicate to you in the strongest possible terms how important this bill is to our livelihood and to the Nation's transportation infrastructure and overall competitiveness. In our business, the Corps' construction program is the foundation of the marketplace. Although by historic standards this may be a modest bill, it is very important that the two-year authorization cycle be maintained. With cost sharing partners active in the study process and ready to participate financially in construction, the credibility of the Corps of Engineers and the federal government is at stake.

One of the growing concerns of almost all port and navigation interests is the regulatory gridlock facing dredging permit applicants. DCA strongly endorses the American Association of Port Authorities' call for a National Dredging Policy. At the root of the problem is a divided federal family. A formal acknowledgement of the importance of our ports to the national economy at the highest level is a fundamental starting point in beginning to break this gridlock.

At our end of the project formulation and approval process, the future is not bright. Endless studies, analyses and the lack of a definitive, rational decision-making process are contributing to the destruction of a very capital intensive industry. Last year, the third largest company in the industry was forced out of business. Three years ago, the second largest company on the West Coast met a similar fate. Unemployment within the ranks of our exceedingly skilled and uniquely trained work force is painfully high.

Since most of the debate and delays are over where to relocate dredged material, a better process for disposal site selection is needed. Each federal and state resource agency responsible for the protection of a single resource (or receiving media) tends to "protect" their resource at the expense of the best overall environmental decision. Often there is no agreed upon risk-based decision-making strategy for handling sediments of varying quality (the vast majority of which is "clean" and indistinguishable from the upland soils from which it came). To help solve this problem in a practical way, DCA strongly supports policy changes which would encourage the construction of confined disposal facilities. (By definition, these facilities require the filling of state-owned bay or river bottoms and thus require very strong leadership at the state and local level.) We also support the greater use of dredged material for beneficial purposes. The Corps has done an admirable job of utilizing the soil beneficially when the cost is the same

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TESTIMONY OF

CLIFFORD C. MULLER, EXECUTIVE DIRECTOR

PORT OF GRAYS HARBOR

BEFORE THE HOUSE PUBLIC WORKS COMMITTEE

SUBCOMMITTEE, WATER RESOURCES AND ENVIRONMENT

JULY 26, 1994

Mr. Chairman and Members of the Committee, my name is Clifford C. Muller. I am the Executive Director of the Port of Grays Harbor, Washington State's only Deep Water Coastal Port. I am here today to thank the members for your support for funding to the Corps of Engineers for the Grays Harbor Navigation Improvement Project (GHNIP).

I am proud to report considerable progress during the past five years.

Three dredging and two mitigation contracts have been issued during this time with construction costs well within the total estimates. Construction of the first 20 of the 24 miles of channel was completed in 1991. All of these events would not have been possible without the assistance of the Congress, Committee members, and staff associated with Water Resources and the Environment. Grays Harbor thanks you for your support and actions.

The Port's navigation facilities provide the link among federal, state and private timber resources and the Pacific Rim countries of Japan, Korea, Peoples Republic of China, Europe and our newest foreign customer, the Commonwealth of Independent States, formerly the USSR.

In 1989, 74 percent of the vessels departing from Grays Harbor had sailing drafts in excess of the previous project depth. By over-dredging berth areas, accepting vessel delays, and sailing at maximum tide conditions, pilots

were able to move vessels with 34 feet of draft out of our existing 30-foot federal project. However, we are now able to load to capacity the larger vessels with up to 36 feet of draft. The deeper channel has clearly made a difference.

Grays Harbor has become an exporting port for finished forest products, metals, steel and other products. 1989 was a record year with 4.6 million tons of cargo with an estimated value of $479.9 million. While our country still suffers from a trade imbalance, Grays Harbor's activities continue to assist in reducing the federal deficit. We have experienced over 1 million tons of foreign waterborne trade in general cargo commodities, since the channel was deepened to 36 feet. $25.6 million in capital projects, in addition to the GHNIP, has now been spent by the Port on the upland properties to further enhance our diversification opportunities and successes. These capital improvement projects include rail lines, new transit sheds, new handling equipment, and cargo yard paving scheduled to coincide with the GHNIP. Two major transcontinental railroads, the Burlington Northern and the Union Pacific, link with our marine terminals.

The Water Resource Development Act of 1986 (PL 99-662) authorized the Grays Harbor Project and made the Corps and the Port financial partners in the construction of this project. PL 99-662 authorized the Grays Harbor Project at $95.7 million. The total Project cost has been significantly reduced to $67.0 million through project modifications made possible by detailed design studies conducted by the Corps. $21.5 million of that total is the Port's obligation as Local Sponsor. The construction beginning in FY 90 now extends to FY 96 for completion.

It is significant to note that the next phase of construction is the modification of the existing railroad bridge in Grays Harbor built in 1910 to remove a navigation constraint. This modification will use a surplus lift span from Little Rock, Arkansas. The bridge restricts the transit of modern day vessels, is an extreme safety hazard and could be inoperable in the very near future. The remainder of the project in FY 95 and FY 96 will involve completion of the railroad bridge and four miles of dredging to upstream deep water berths.

Recent events in Grays Harbor related to timber harvest restrictions on federal and state forest lands have negatively impacted the rail business traffic across the Grays Harbor railroad bridge, owned and operated by the Union Pacific Railroad Company. Reduced timber supply means less domestic

finished forest products. More significantly, improvements in pulp manufacturing has reduced certain chemicals containing dioxins, thereby improving the environment. But it has also reduced rail traffic across the railroad bridge.

The Grays Harbor Navigation Project is an excellent example of public-private partnership. Beside the local sponsor's cost share of $21.5 million, utility improvements required an additional $1.8 million of non-Federal capital moneys. The Port's parallel upland improvements equal $25.6 million, as stated above. Additional City of Aberdeen, WA improvements adjacent to the GHNIP including street, lighting and highway bridge resurfacing, plus an upstream flood control project, adds an additional investment component of $7.058 million. Private manufacturing from 1990 through 1994 has placed $112 million of new, revised and environmentally safe infrastructure in our community. All of the above represents a 3:1 local to federal match of infrastructure development and revitalization.

Economics, external to the Port project for the rail component, have therefore changed for the short term since project inception, requiring further participation by the private companies, the Port of Grays Harbor and Congress. Suggested draft authorization language is proposed as follows:

GRAYS HARBOR RAILROAD BRIDGE REPLACEMENT

Sec. _____. The Secretary of the Army is authorized and directed to transfer $6,300,000 of the funds appropriated for the Grays Harbor, Washington Project to the Port of Grays Harbor. The funds may not be transferred to the Port until the Port has entered into an agreement with the Secretary of the Army that defray costs associated with the replacement of end trusses and approach trestles on Union Pacific Railroad Company Bridge 53.33 in Aberdeen, Washington and for future removal of the improved Bridge 53.33 by the Port. Further, the Union Pacific Railroad Company's cost allocation in accordance with the principles of the Bridge Alteration (Truman-Hobbs) Act of 1944, Public Law 67-647, as amended, as part of the Grays Harbor, Washington Project authorized in Section 202 of the Water Resources Development Act of 1956, Public Law 99-662, is hereby limited to $2,376,000.

A further breakdown of the intent of this authorization is:

A. Private companies will provide $3.5 million for Union Pacific partial replacement of steel end trusses and timber approach trestles, external to the Corps project.

B. The Port will provide $5.4 million for future railroad bridge removal by the Port.

1) The Port Commission agreed on 11/9/93 to accept this responsibility with certain contingencies.
2) The Washington State Legislature authorized third 6-year Port industrial development district (IDD) levy ($5.4 million over 6 years) on 3/10/94; local voter approval required,
3) Local vote to approve continuation of the IDD levy; vote most likely in the third quarter, 1994.

C. Congressional FY 95 appropriation of $6.3 million for the Grays Harbor railroad bridge external to Corps project.

1) $4.5 million for Union Pacific remaining replacement of steel end trusses and timber approach trestles.
2) $1.8 million for future railroad bridge removal by the Port.

D. Congressional authorization in WRDA 94.

1) Limit Union Pacific's Truman-Hobbs allocation in Corps project to $2,276,000 (amount in Union Pacific/Corps agreement executed 8/26/91).
2) Establish Federal interest in the Union Pacific replacement.

In conclusion, I would like to note that:

1. The navigation improvements, including railroad bridge modification and replacement, are needed. They are long overdue. The bridge design plans and specifications are nearly complete.

2. Local Cost Sharing funds are in place for the original project authorizations.

3. All lands, easements, rights-of-way, relocations, and disposal areas (LERRD) requirements have been completed.

4. The Port of Grays Harbor, as Local Sponsor for the Grays Harbor Navigation Improvement Project, is prepared to commit additional funds, and a local tax supported by voter approval for future bridge demolition of the rebuilt spans at the end of their useful life.

5. The Corps started the construction activity in FY 90 and needs FY 95 federal funds of $1.5 million to continue the project.

For all of these important and compelling reasons, we respectfully request:

1) Construction funding totaling $1.5 million be appropriated in FY 95 for the Grays Harbor Navigation Project.

2) Authorization of Truman-Hobbs limitation to $2.276 million for the Union Pacific Railroad Company.

3) Authorization and appropriation for extended federal interest in the amount of $6.3 million, external to the Corps' project.

Thank you very much for the opportunity to testify.

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STATEMENT OF THE

AMERICAN ASSOCIATION OF PORT AUTHORITIES

BY

ERIK STROMBERG

PRESIDENT

BEFORE THE

SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT

OF THE

PUBLIC WORKS AND TRANSPORTATION COMMITTEE

UNITED STATES HOUSE OF REPRESENTATIVES

JULY 26, 1994

WATER RESOURCES DEVELOPMENT

TESTIMONY OF ERIK STROMBERG
PRESIDENT
AMERICAN ASSOCIATION OF PORT AUTHORITIES

BEFORE THE HOUSE PUBLIC WORKS AND TRANSPORTATION
SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT

JULY 26, 1994

Good morning. I am Erik Stromberg, President of the American Association of Port Authorities. (AAPA). AAPA, founded in 1912, represents virtually every U.S. public port agency, as well as the major port agencies in Canada, Latin America and the Caribbean. Our Association members are public entities. They are mandated by law to serve public purposes -- primarily the facilitation of waterborne commerce and the generation of local and regional economic growth. My testimony today reflects the views of the AAPA's United States delegation.

Mr. Chairman, we commend you for convening this hearing to address the Water Resources Development Act of 1994. We are grateful to the Subcommittee for the hard work that led to the passage of the landmark Water Resources Development Act of 1986 (WRDA'86), which revived our nation's water resources development program, and for its work on authorization legislation in 1988, 1990 and 1992. If I leave one message with you today, Mr. Chairman, it is that we must maintain this two year cycle. Continuation of biennial authorizations, as well as maintaining adequate annual appropriations levels, is essential to effective planning of projects and budgeting for projects by state and local governments. If a project is economically justified, environmentally acceptable and is supported financially by the local sponsor throughout the arduous planning process, the sponsor must be able to rely on a dependable authorization and funding timetable.

WRDA '86 placed a greater financial burdens on the local project sponsor. We agreed to those changes in ports' historic relationship with the federal government in order to put the U.S. Army Corps of Engineers (Corps) to work again on many long overdue projects. It is our objective to become full partners with the federal government in the development of the nation's navigation system. We still have a long way to go. Probably the most important step that we can take in WRDA 94 to address the dredging and navigation needs of our nation is to clarify that the federal government must share the cost and responsibility for providing dredged material disposal areas, including confined in-water and upland disposal facilities.

The task of meeting present and expected future demands on our navigation system has never been so complex, and never as much in the public spotlight as it is today. The pressures grow more intense as political, economic, environmental and regulatory constraints combine to present, at times, seemingly impenetrable barriers to growth. The regulatory process in many cases threatens to overwhelm the project objectives. But the fact remains: for U.S. exports to remain competitive in international trade, we must dredge our harbors. Our continued ability to boast of an efficient and vibrant navigation system will depend to a great extent on how we adapt to this new era and address our economic and

environmental challenges.

As Secretary of Transportation Federico Peña has observed; *"We must solve the current dredging crisis which is in reality an economic crisis.... Dredging is submerged in conflicting missions and mandates among a number of federal agencies and a pyramid of federal rules and regulations, plus state and local government laws, which make it a miracle every time a port dredging project is brought to fruition."* The United States cannot afford to rely on "miracles" to ensure the essential movement of cargo through our nation's ports,

To begin to address these problems, Secretary Peña has convened the Federal Interagency Working Group on the Dredging Process. The public port community is encouraged by the leadership shown by Secretary Peña and the work of all of the other agencies that have been involved in the Working Group efforts. We are hopeful that the Group will provide some concrete recommendations and actions that will lead to a more efficient regulatory process for approval of navigation projects. The report of the Working Group is expected soon. AAPA will be sure to keep this Subcommittee informed of the Working Group progress. Regulatory reform alone, however, will not solve the dredging crisis. We also need legislative changes.

In my testimony today, I will address the need for a National Dredging Policy that not only rationalizes the federal regulatory process but also establishes federal government commitment at the highest level to ensure that our navigation channels are dredged and open for trade, and reconciles the legislative requirements of the Water Resources Development Acts, Clean Water Act, Ocean Dumping Act and other pertinent laws to untangle the web of conflicting mandates that so often results in needless delay and extra costs for dredging projects.

I will also describe the work being done on our "partnership" with the Corps; the importance of balancing economic and project development needs with environmental and procedural protections; the challenges posed by the development of coastal port properties, which often include wetland areas, necessary to keep the U.S. competitive in the world marketplace; as well as miscellaneous other matters relative to WRDA reforms. With over seven years of experience since WRDA '86, there are several changes we would like you to consider that would improve the federal/nonfederal partnership and facilitate the construction and maintenance of our vital navigation system.

Before I discuss these important issues, I want to briefly describe the economic benefits generated by our port and navigation system so that we better understand what is at stake in resolving the dredging crisis.

<u>Navigation Benefits</u> -- Approximately 95% of world trade moves on ocean going vessels. Our deep draft navigational system is quite literally our highway to the world. Public ports are a vital conduit linking the United States to the world marketplace, a critical intersection in the intermodal transportation chain. Ports connect farmers, manufacturers and suppliers often thousands of miles from dockside to markets thousands of miles from our shores. U.S. export trade was responsible for one out of six new U.S. manufacturing jobs and 25% of the growth of all private industry jobs between 1986 and 1990. Exports

accounted for 90% of the Gross Domestic Product Growth in 1992. Efficient water transportation also provides less expensive goods for U.S. consumers.

There are over 180 commercial deep draft ports, which handle 893.9 million metric tons of cargo in 1993 worth $512.1 billion. Those ports include 3,173 ship berths and 1,917 terminals through which cargo and passengers are transferred. Ports do not represent simply the start or end of a journey. In many cases, they are through points on an international transportation thoroughfare. It has been estimated that 75% of the East Coast traffic to and from the Far East moves intermodally through West Coast ports, while East Coast ports are working hard to take advantage of cargo moving in the opposite direction from Europe to and from the Midwest. The efficient intermodal movement of goods through our nation's ports can only be assured if we provide both good landside access to ports over our nation's highways and railways, as well as good access from the waterside by dredging our ports and harbors.

Port activities create substantial economic and international trade benefits for the nation, as well as the local port community and regional economy. According to a report by the U.S. Department of Transportation in 1992, commercial port activities generated 1.5 million jobs, contributed $73.7 billion to the Gross Domestic Product, provided personal income of $52 billion, generated federal taxes of $14.5 billion, state and local taxes of $5.5 billion.

These significant national benefits are the result of a substantial investment by the nation's ports in modern marine terminal facilities and related infrastructure. The public port industry has spent more than $12.5 billion dollars in the last 45 years to develop transportation facilities. In 1992, the public port industry expended $671.8 million for construction and modernization of terminal facilities and channel dredging. The industry and the federal government have spent nearly $4 billion to improve and maintain navigation channels--our water highways. AAPA members have estimated in a recent financial survey that they will invest another $514 million in local dollars on dredging from 1993 - 1997. This includes local port expenditures associated with dredging, as well as local costs for lands, easement rights-of way and disposal areas.

The ports' critical role in our nation's defense has never been more apparent than during the loadouts of military cargo and personnel during Operation Desert Shield. The hugh buildup of U.S. forces in and around the Persian Gulf would have been impossible without the modern facilities and strong support provided by America's ports. According to the U.S. Military Traffic Management Command (MTMC), between August of 1990 and March of 1991, MTMC loaded 312 vessels and more than 4.2 million measurement tons of cargo in 18 U.S. ports for delivery to the Persian Gulf in support of Desert Shield/Desert Storm.

National Dredging Policy -- The maritime, port, labor, and business communities have called for the adoption of a National Dredging Policy to facilitate the timely and cost-effective dredging of our nation's navigation channels. (A copy of that proposed policy is attached.) Toward that end, over 30 maritime interest groups wrote to the President last year calling for action as soon as possible. Last Spring, AAPA received a letter from

President Clinton who pledged to call on federal agencies to "redouble their efforts" to find solutions to dredging problems. Copies of those letters have been provided with this testimony.

The dredging of our nation's navigation channels to keep them open for trade, however, is too often frustrated by inconsistent, complex and duplicative laws and regulations. In order to overcome these problems and to provide a more coherent and consistent program for dredging and managing sediments, inconsistencies between the Clean Water (CWA) and Ocean Dumping Acts (ODA) need to be reconciled. Provisions in the 1986 Water Resources Development Act (WRDA) and Corps policies that favor open water disposal over confined and upland disposal options need to be revised to clarify the federal role and to establish a clear and consistent federal responsibility for long-term disposal planning, including assurance of continuing adequate capacity and the construction of dredged material disposal sites. Remember that it is a "federal" navigation system that benefits the heartland, as well as the coastal communities of our nation.

In order to provide for implementation of the National Dredging Policy objectives, AAPA has advocated the following legislative changes:

(1) Amend the CWA and ODA to provide for consistent and expedited approval of dredging, separate from the 404 wetlands provisions of the CWA, for the discharge of dredged material from navigational dredging to approved disposal areas. Emphasize the prevention of pollution that may contaminate sediments, and require full consideration of the use and value of the waters and channels to navigation in establishing appropriate criteria and standards; and

(2) Establish a comprehensive program under WRDA, clarifying the federal responsibility for siting, construction and funding of confined and land-based disposal facilities for dredged material, in connection with construction of authorized federal navigation projects.

Let me elaborate on the last point. Pursuant to current Corps' policy, ports are held responsible for funding construction of any needed confined dredged material disposal areas (CDFs) if open water is unavailable. As environmental regulation has become more stringent and testing techniques more sophisticated, an increasing amount of dredged material has been required to go to confined disposal facilities, a result not anticipated back in 1986.

To implement recommendations of the National Dredging Policy, WRDA should be amended to provide that any CDFs or upland disposal sites that have to be constructed to accommodate dredged material associated with authorized harbor and channel dredging would be considered part of the general navigation features of the project and, therefore, be subject to the same cost-sharing requirements as any other part of the project. AAPA also supports provisions which would permit the Corps to charge local user fees at multiple user disposal sites and to retain those fees at the local level to manage and monitor sites rather than sending them to the federal treasury.

This would be a change from current policy and remove an existing strong economic incentive to utilize open water disposal sites wherever possible, even where this may not be the most environmentally preferred option. This approach would reduce the disparity of treatment between open water disposal sites -- for which the federal government shares the costs with local sponsors -- and confined and upland sites which, in most cases, are totally non-federal (i.e., local) costs. This approach reconciles the Corps' dual environmental and navigation missions and provides funds necessary to comply with federal environmental mandates.

The assumption that the federal government should provide the cost of disposal to ensure compliance with environmental laws was recognized as far back as 1977 when, in enacting the amendments to the Federal Water Pollution Act, Senator Edmund Muskie observed: "*The conferees recognize, as we specifically included in the Senate report on the legislation, that compliance with water quality standards by the Corps is dependent on the availability of funds for on-land or confined disposal of dredged spoil. We affirm the language of the Senate Report that it is the responsibility of the Secretary of the Army to seek funds from the Congress for maintenance dredging to be performed consistent with State water quality standards.*" (Congressional Record, Dec. 15, 1977, p. S.19655)

Particularly where contaminated sediments have settled into port areas from upstream sources or as a result of historical pollution runoff, ports can find their dredging projects delayed, if not stopped altogether, because there is no suitable disposal areas readily available. There is little, if any, remedy available to the port to ensure the sediments are dredged and the channels open for trade.

I would like to express AAPA's support for proposals by Representative Robert Menendez, who with the support of other members on this Committee, has sought to amend the Clean Water Act to improve the process for review of dredging and disposal operations. These reforms are very important, and we hope this Subcommittee will be able to incorporate changes in CWA or WRDA 94 to address these issues. In addition, changes to the Ocean Dumping Act may be required to ensure consistent and prompt review of dredging projects.

Dredged Material Management Planning -- Approximately 400 million cubic yards of sediments are dredged every year. We need to plan together with state and community interests for our the short and long-term disposal needs. We have a shared responsibility in this area and the port industry needs the support, leadership and expertise of the Corps of Engineers.

Open water disposal must continue to be a viable option if dredging operations are to continue. Land-based disposal alternatives are often simply not available or are prohibitively expensive. The construction of near shore confined disposal facilities may interfere with sensitive wetland areas. In many cases, contaminants which bind to sediments and, therefore, are not bioavailable in the aquatic environment would be released if oxidized in land disposal sites. We must recognize that we cannot solve our environmental challenges by simply transferring pollutants onto the land; we must learn to manage them, which in many cases means leaving or depositing the sediments in the marine environment.

Research and development of safe and environmentally protective disposal techniques, including the use of borrow pits and capping of sediments should be encouraged.

The Corps' Dredged Material Management Planning initiative (formerly referred to as Long Term Management Strategy (LTMS)) has been developed, in part, to address these needs. However, these plans have proven in too many cases to be open ended and costly planning exercises without any assurance that the recommendations will be implemented. Unfortunately, too often the Corps sees disposal as a local responsibility and fails to demonstrate the leadership necessary to build a consensus and develop realistic disposal recommendations. We urge the Subcommittee to work with AAPA and the Corps to find a solution to this problem which will result in practical, implementable and environmentally responsible disposal plans for dredged material in the short and long terms.

Attempts to facilitate communication and coordination with local interests are now surfacing as "port support" groups have been organized in the Great Lakes, as well as Boston, San Francisco, Oakland, Wilmington, N.C., and New York to generate community and political support in such areas as the development of a long term dredged material disposal plans, designation of ocean disposal sites, and providing regional public support for harbor protection, maintenance and improvement projects. In Baltimore, the Port has taken the initiative to bring together all of the interest groups to focus on short and long term disposal of dredged material in what they call their Placement Options Program. The Port of Houston Authority has convened a "Beneficial Use Group" to identify opportunities for beneficial use of material dredged from the Houston ship channel.

Partnership -- Since the enactment WRDA '86, our experience indicates that we have a long way to go, before the so-called "partnership" between the ports and the U.S. Army Corps of Engineers (Corps) can be called a success. However, we have been working with the Corps this year to address many of our concerns. Seven regional meetings were held this year between representatives of the Corps and ports to identify problems and to establish a continuing dialogue to address them. We have also been working with the Corps to draft a new model Project Cooperation Agreement for navigation projects. I would like to particularly thank the Acting Assistant Secretary of the Army John Zirschky, the Chief of Engineers, General Art Williams and the Director of Civil Works, General Stanley Genega for their personal support of these initiatives. AAPA supports efforts by the Corps to improve project review and project management, as well as to establish accountability for project costs. We also support the ongoing efforts by the Corps in addressing restructuring and reorganization to consult with the port community and other interested groups.

Even though local sponsors are paying 35 to 60 percent of project costs in addition to their previous cost responsibilities for federal projects, the federal government must be an active partner in our advocacy efforts. Because of the demonstrated net national benefits of these projects, the Corps cannot abdicate its responsibility to be a project proponent alongside the local partner. The Corps should take the lead in developing consensus among federal agencies, such as the Environmental Protection Agency, to secure permits needed to allow projects to proceed. Although some significant progress has been made, the Corps is still reluctant to allow adequate local sponsor input into project management in order to reflect local priorities. AAPA has been working with the Corps to develop a clearer

proponency role for the Corps in support of navigation projects and we expect initial guidance to be issued shortly.

To reiterate, while there are many local and regional benefits from channel improvement projects, all the benefits used to justify a project economically are national (National Economic Development benefits). Authorized projects are, by definition, in the national interest. A good measure of our new partnership is the extent the ports, together with the Corps can actively support not only individual projects but the continued viability of the national water resources development program.

Some of the difficulties are the understandable consequence of transition in the Corps operating procedures and attitude toward sharing responsibilities, as well as costs, with local sponsors. However, the Corps must recognize the need to develop reliable cost-estimates, and planning schedules and the need of local sponsors to limit project costs and bring projects in on time. Efficient design, implementation and management of navigation projects are crucial in these difficult economic times. Any changes in the water resources bill to address these issues would be welcomed by AAPA. AAPA is working to identify ways to control costs particularly during the planning and feasibility stage. One suggestion has been to cap the local cost contribution during the feasibility stage.

Last year, AAPA established a Partnership Task Force which took a hard look at the Corps/ports partnership. Among our common goals is the need to maximize scarce federal and local dollars and to make the administration of Corps' programs more efficient. One proposal of the Task Force was to encourage to Corps to make more use the efficiencies of the private sector by providing funding and permitting the local project sponsors, at their option, to take the lead on projects. Among other models, the Partnership Task Force looked at the Federal Aviation grant system as a possible substitute for the annualized appropriations of the Corps system. (A copy of their report has been provided to Subcommittee staff.)

Existing mechanisms in WRDA '86 provided by Sections 204 and 205 were intended to expedite federal navigation projects by permitting the sponsor to construct the project and subsequently seek reimbursement from Congress. However, these provisions have not been widely used in "fast tracking" project construction. They are overly restrictive with respect to Corps oversight and there is confusion over the role of the nonfederal sponsor. In addition, the Corps has not shown significant support for independent action by local sponsors. AAPA would like to work with the Subcommittee to make these provisions more useful or identify new ways to fast track dredging projects. Because of the rapid changes in international trade and transportation, fast tracking is needed now more than ever.

Harbor Maintenance Trust Fund (HMTF) -- Since the Water Resources Development Act of 1990, receipts from the Harbor Maintenance Tax are available to cover up to 100% of the cost of maintaining our harbors. The tax, originally enacted in 1986 at the level of .04% on the value of cargo through U.S. ports, was more than tripled in 1990 to .125% to cover up to 100% of maintenance dredging. We objected strongly to the increased tax as excessive and largely unrelated to the need. In hindsight, our view has been confirmed. Last year, there was over a $300 million surplus in the fund. That surplus is

projected to grow by $100 million a year to total over $1 billion by the end of fiscal 1998. Despite the fact that demand for port services is growing and new federal environmental mandates make dredging, management and disposal of sediments more expensive, federal investment in navigation and related navigation infrastructure has leveled off.

It is important that U.S. tax, spending and trade policies be coordinated to support U.S. public ports and their commitment to economic development and the expansion of maritime commerce. Clearly, the level of the HMT is significantly higher than necessary to support the objective of paying up to 100% of costs currently assigned to operations and maintenance. As a result, consumers and exporters bear unnecessary costs in transporting goods and doing business in U.S. ports.

Ports, particularly on the northern tier, are at a significant competitive disadvantage in attracting cargo because shippers can avoid the tax by sending cargo through non-U.S. ports. AAPA supports a rollback of the Tax to a level that would provide funding necessary to pay for the operation and maintenance of the nation's deep draft navigation system. Lower trade taxes make U.S. goods more competitive in world markets, provide lower cost goods for the benefit of the American consumer, and encourage increased commercial activity through U.S. ports, thereby assisting ports in their mission to create jobs and generate economic development.

When taxes such as the Harbor Maintenance Tax are imposed, they should be levied in an equitable and consistent manner to ensure, to the extent possible, that they provide a level playing field for U.S. ports in competition among each other and with foreign ports. We must find a way to protect U.S. ports against diversion of cargo as the result of the Harbor Maintenance Tax and other U.S. trade taxes that put us at a significant competitive disadvantage.

Expenditures from the Trust Fund should be limited to uses assignable to maintain navigation as provided in the Water Resources Development Act of 1986. The use of any surplus funds that remain after ensuring operations and maintenance should be spent down in rolling back the level of the tax and any balance remaining dedicated to related port and navigation purposes.

Contaminated Sediments -- Federal leadership is especially critical with regard to the management of sediment said to be "contaminated." States are more aggressively using their Clean Water Act water quality certification and Coastal Zone Management consistency authorities to make extensive demands for only marginal and speculative environmental benefits. We agree it is important to ensure the protection of the state prerogative, but we must protect the limited federal and local resources that are available for dredging projects. AAPA supports participation by the Corps in a broad national inventory in order to identify the extent and location of the contaminated sediment problem. Initial studies by the Environmental Protection Agency (EPA) and National Oceanic and Atmospheric Administration indicate that the contamination is to a large extent located outside of federal navigational channels.

The focus of the federal government should be first and foremost on pollution

prevention and the control of polluted runoff into our nation's waterways. Contaminants in this runoff bind to sediments and are transported into our ports and harbors. AAPA supports the efforts of Committee Chairman Norman Mineta, as well as Rep. Oberstar and Rep. Boehlert and other members of the Committee who have tried to focus attention in the Clean Water Act on the control of nonpoint polluted runoff. We simply must control these sources of pollution in order to ever have hope to be able to clean up sediments in navigation channels.

Obviously, this issue is extremely complicated. Sediments are highly complex and their characteristics and interaction with contaminates varies considerably from area to area. Identification of the scope of contamination is only the first step. Knowing the extent of the problem will do us no good unless we have a plan for addressing it. Significantly more funding and research, which could be modelled on programs already underway in the Great Lakes, is needed for remediation and clean-up technologies for contained sediments. The fact is that in some cases the preferred alterative will be to leave the sediments in place and to control the sources of pollution.

Mitigation and Wetlands Preservation -- As a water dependent industry, ports often have no alternative but to develop on or adjacent to wetlands. Too often, land that could provide mitigation is unavailable in harbor areas. Moreover, ports are forced to develop local solutions without a coherent, long range national strategy. In addition, ports are currently working within a system that does not fully recognize the relative functions and values of wetlands and requires costly mitigation that may be unrelated to ecological values. The inevitable result is needless delay and unnecessary expense. AAPA supports regulatory reform by the Corps that will expedite the wetlands permit process.

Costs for land required for mitigation purposes should be allocated to the same extent as other projects costs. Federal funding should be provided for mitigation projects in connection with development of transportation related port projects. The Corps should be given a clear mandate to lead efforts to develop, in consultation with EPA and other interested federal agencies, a consistent federal policy including the establishment of uniform standards for mitigation banks. Regional wetland mitigation banks would allow necessary port development to proceed while providing individual ports the opportunity to participate in high quality, cost effective wetland restoration. The Corps is uniquely qualified to apply its engineering expertise to the challenge of the development and presentation of wetlands restoration projects.

Obstructions To Navigation -- There is another issue pending before this committee on which AAPA would appreciate the committee's attention. H.R. 3812, the "Waterways Obstruction Removal Act of 1994," introduced by Congressmen Laughlin and Fields, addresses a very serious problem of ports across the U.S. The bill would require immediate action by the owner of operator of a sunken or grounded vessel to remove or destroy a vessel that is obstructing a navigable waterway. The closure of ports and waterways for whatever length of time due to obstruction blocks the flow of commerce and results in significant financial losses as well as loss of jobs. U.S. ports support this legislation which will fairly and efficiently cause prompt action to eliminate the obstruction and allow commerce to flow with the least amount of delay. We urge this committee to enact this

legislation to effectively address this problem.

Section 208 -- One the long-term port development issues that needs to be addressed by Congress is the limits on our ability to recover the nonfederal cost of project development under Section 208 of WRDA '86. Section 208 is so restrictive that it may never be used. It is practically useless as a means of financing projects. Aside from our fundamental concern over the quality of this provision (nonfederal sponsors have assumed increased costs to construct a federal project without being given any meaningful additional authorities to recover those costs), this provision so narrowly defines eligible payees (channel users) as to create an impossibly high fee schedule on those leading innovators who have developed new and efficient vessels. Fundamentally, the range of channel users of navigation projects cannot be assessed a fee commensurate with their resulting benefits. Ports need a broad-based capability to collect their nonfederal share. The Subcommittee should also explore provisions that would remove the limits on in-kind services a project sponsor can provide as part of its cost-sharing responsibilities.

Conclusion

In order to ensure our nation's continued international competitiveness, it is now more important than ever to continue to invest in an improved and efficient water transportation system. Thank you for the opportunity to testify today. We are extremely grateful to the Subcommittee for the important work they have done on WRDA '86 and the subsequent biennial authorization bills. Again, I cannot emphasize strongly enough AAPA's support for action this year on a water resources bill. We look forward to working closely with the Subcommittee as you prepare and pass the Water Resources Development Act of 1994.

OPEN CHANNELS TO TRADE

A Proposal for a National Dredging Policy

EXECUTIVE SUMMARY

Summary Statement:

The American Association of Port Authorities (AAPA), a trade association representing public port authorities throughout the Western Hemisphere, advocates the adoption by the U.S. federal government of a National Dredging Policy. AAPA supports adoption of a uniform national policy that recognizes the importance of efficient dredging operations to the national economy. The policy will facilitate dredging our nation's harbors in a timely and cost-effective manner consistent with environmental regulations.

Ninety-five percent of U.S. overseas trade moves in and out of U.S. ports. Over 25,000 miles of navigation channels link American communities to each other and to foreign ports. Maintenance of a safe, efficient and cost-effective water transportation system is vital to the economic well-being of our nation.

Legislative and Policy Objectives:

The AAPA National Dredging Policy calls on the Administration and Congress to:

- Adopt the Policy Principles outlined on Page 3. Full realization of these Policy Principles cannot happen without the legislative actions outlined below.
- Direct through executive order, or other appropriate means, that federal agencies work together to facilitate dredging projects.
- Amend the Clean Water Act, Ocean Dumping Act, and Water Resources Development Act to provide for consistent management and disposal of dredged material, to streamline the federal permit process to ensure prompt consideration of dredging permits, and to establish a federal program to assure availability and construction of suitable dredged material disposal areas.

Recommended Actions for the Administration and Congress:

1. Adopt as federal policy the principles of the National Dredging Policy and direct the federal agencies to take the steps necessary to implement those policies.
2. Establish interagency working groups and issue guidance as soon as possible, to ensure uniform application of the policies at national, regional and local levels.
3. Reform the federal permitting process to: eliminate redundant, sequential reviews; establish timelines for permit review; and clarify the relative responsibilities and authority of regulatory agencies.

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4. Amend the Clean Water and Ocean Dumping Acts to provide for:

- Equal consideration of all disposal options, including open water disposal, with decisions based on environmental affects and characteristics of the dredged material, the circumstances in the project area, and the relative cost and environmental benefits of disposal alternatives;

- Prompt consideration of dredged disposal permits consistent with criteria and procedures in the Clean Water Act and Ocean Dumping Act, including deadlines for permit review and interagency coordination;

- Equal consideration of all dredged material disposal alternatives and encouragement of good management practices to mitigate for environmental impacts, isolate contaminants and protect against unacceptable adverse environmental affects;

- Regional, site-specific general permits for low volume, regular maintenance dredging;

- Additional federal funding for the beneficial use of dredged material when it will facilitate the implementation of commercial navigation projects;

- Require the Environmental Protection Agency (EPA) Office of Water to establish, in consultation with the U.S. Army Corps of Engineers, guidelines to address upland disposal and beneficial use for dredged material;

- Amend federal regulations to encourage beneficial use of dredged material where federal funding is available, and increase funding for research and development of sediment decontamination and management technology.

5. Amend the Water Resources Development Acts to:

- Establish a lead federal responsibility to assure the availability of and payment for construction of adequate, environmentally protective dredged material disposal areas needed in connection with the construction and maintenance of federal and non-federal deep draft navigation improvements;

- Streamline the procedure of the U.S. Army Corps of Engineers to review planning and implementation of deep-draft navigation projects and;

- Increase the role of local port project sponsors at each stage of the project.

Policy Principles

The following principles should guide the development of a National Dredging Policy:

1. Dredging our nations harbors in a timely and cost-effective manner is good economic and environmental policy. Our country cannot afford indecision and gridlock on these issues. Wherever possible, regulatory reviews should be consolidated and streamlined.

2. Unless adequate and environmentally compatible dredged material disposal capacity is assured, dredging operations at U.S. ports will be jeopardized. A long-term, implementable plan to identify disposal sites should be developed on a national level and federal funds provided for the construction of those sites.

3. The vast majority of dredged material is not contaminated and can be managed without significant environmental impact by depositing it at appropriate aquatic disposal sites. Therefore, unbiased consideration should be given to all disposal alternatives, based on a relative assessment of environmental risk and overall cost.

4. Clean dredged material should be viewed as a resource, and beneficial uses should be encouraged when funds can be identified to pay for that use. There is a national interest in encouraging beneficial use of dredged material for such things as wetland creation and beach nourishment, therefore, where it is more expensive than other disposal options beneficial use should be a federal, not local sponsor responsibility.

5. It is neither environmentally productive nor cost effective to direct limited public resources to the cleanup of the large volume, but low level, pollutants usually found in sediments at navigation dredging projects.

6. In those cases where dredged material contains low levels of contaminants, elimination of any significant negative environmental impact through management measures, such as capping, should be emphasized.

7. Decontamination technology, although a desirable goal, has not been shown to be feasible or affordable on a broad scale. However, federal research and development of cost-effective decontamination technology should be given a high priority.

8. Pollution should be controlled at the source to prevent contaminants from settling in the sediments of our nation's harbors and channel bottoms, thereby avoiding potentially costly cleanup. Polluters should be identified and required to pay the cost of contaminated sediments cleanup wherever possible.

For more information on the AAPA National Dredging Policy, contact:
Tony MacDonald, Director of Environmental Affairs • (703) 684-5700
or
Eileen Denne, Director of Public Relations • (703) 706-4714

OPEN CHANNELS TO TRADE

A Proposal for a National Dredging Policy

A PROPOSAL FOR A NATIONAL DREDGING POLICY

I. Objective

The AAPA calls on the Administration and Congress to adopt a National Dredging Policy. The Policy should recognize the importance of dredging our nation's harbors to enhance economic development and international trading opportunities. *Ninety-five percent of U.S. overseas trade moves on ships in and out of U.S. ports.* The Administration should direct through executive order, memorandum of understanding or other appropriate means federal agencies, including the U.S. Army Corps of Engineers, Department of Transportation, Department of Commerce, Department of Interior, and the Environmental Protection Agency, to work together to facilitate dredging our nation's harbors in a timely and cost-effective manner consistent with environmental regulations. In addition, the Clean Water Act, Ocean Dumping Act and Water Resources Development legislation should be amended to provide for consistent management and disposal of dredged material and to establish a federal program to facilitate and expedite the construction and availability of adequate dredged material disposal areas, particularly for contaminated sediments that are unsuitable for placement in open waters.

II. Policy Goals

The following principles should guide the development of a National Dredging Policy:

- *Dredging our nation's harbors in a timely and cost-effective manner is good economic and environmental policy. Our country cannot afford indecision and gridlock on these issues. Wherever possible, regulatory reviews should be consolidated and streamlined.*

- *Unless adequate and environmentally compatible dredged material disposal capacity is assured, dredging operations at U.S. ports will be jeopardized. A long-term, implementable plan to identify disposal sites should be developed on a national level and federal funds provided for the construction of those sites.*

- *The vast majority of dredged material is not contaminated and can be managed without significant environmental impact by depositing it at appropriate aquatic disposal sites. Therefore, unbiased consideration should be given to all disposal alternatives, based on a relative assessment of environmental risk and overall cost.*

- *Clean dredged material should be viewed as a resource, and beneficial uses should be encouraged when funds can be identified to pay for that use. There is a national interest in encouraging beneficial use of dredged material for such things as wetland creation and beach nourishment, therefore, where it is more expensive than other disposal options benefical use should be a federal, not local sponsor responsibility.*

- *It is neither environmentally productive nor cost effective to direct limited public resources to the cleanup of the large volume, but low level, pollutants usually found in sediments at navigation dredging projects.*

- *In those cases where dredged material contains low levels of contaminants, elimination of any significant negative environmental impact through management measures, such as capping, should be emphasized.*

- *Decontamination technology, although a desirable goal, has not been shown to be feasible or affordable on a broad scale. However, federal research and development of cost-effective decontamination technology should be given a high priority.*

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- *Pollution should be controlled at the source to prevent contaminants from settling in the sediments of our nation's harbors and channel bottoms, thereby avoiding potentially costly cleanup. Polluters should be identified and required to pay the cost of contaminated sediments cleanup wherever possible.*

III. Background

A. Ports and Commerce

The importance of ports to the national economy cannot be overstated. Waterborne commerce has been the key to the economic vitality of our nation since its inception. Over 25,000 miles of navigational channels link American communities to each other and to foreign ports. This waterborne transportation network improves our quality of life every day by helping to ensure the availability of low cost goods to the consumer and export opportunities for American producers. ***The U.S. Department of Transportation estimates that cargo activities at ports in 1991 contributed $130 billion in services, generated 1.5 million jobs, contributed $14 billion in federal taxes, and added $70 billion to the Gross Domestic Product.***

B. Need for Dredging Policy

Sediment accumulates naturally in our rivers and harbors. Many of our major ports and waterways are not naturally deep enough to accommodate modern vessels. Therefore, there is no alternative to dredging our harbors if port operations are going to handle the increased trade volumes that are expected in the coming decade. ***Each year, the U.S. Army Corps of Engineers (Corps) dredges over 300 million cubic yards of material from federal navigation channels. An additional 100 million cubic yards are dredged from access channels, berths and terminals at over 400 coastal and river ports in the United States.***

Despite the importance of an efficient and cost-effective waterborne transportation system to the economic well-being of our nation, there is no consistent, coherent national dredging policy designed to ensure that navigation channels are dredged and open for trade. Too often, channel navigation improvement projects are stymied because of the lack of federal leadership. The American taxpayer ends up paying the bill for the resulting bureaucratic delay and project gridlock. We must establish a national policy that enables the ports to dredge in a timely, cost-effective and environmentally responsible way.

C. Dredging and Positive Environmental Impacts

Water transportation is not only the most efficient mode of transportation but it is also the safest and most environmentally sound option. Cargo transported on waterways significantly reduces fuel usage, exhaust emissions and the threat of accidents. Well maintained and dredged harbors clear navigation channels to ensure the safe passage of vessels. The relocation of dredged sediments out of navigational channels removes bottom sediments from the path of cargo ships and oil tankers and reduces the risk of accidents. Contaminated sediments moved during dredging can be isolated through capping with clean materials or other appropriate management practices.

IV. Regulation and Permitting

Before dredging of a channel can begin, the port authority as local sponsor must navigate a maze of permitting regulations and environmental laws. One significant problem in securing permission to dredge is the overlapping and complex environmental regulatory process. The Corps estimates that there are more than thirty federal laws and executive orders applicable to dredging and disposal activities. State and local requirements add an additional layer of review. There is no comprehensive, consistent federal approach to dredged material management. Rather, dredging activity is subject to piecemeal regulation under a variety of environmental laws that are designed primarily to regulate water quality, wetlands, solid waste, and endangered species, <u>not</u> dredging.

The Clean Water Act (CWA) and the Ocean Dumping Act (ODA) establish a detailed testing and regulatory regime to protect water quality and the aquatic environment. The ODA and CWA require certification of compliance with state water quality standards and consistency with state coastal zone management plans. Possible impacts on species or habitats may require additional consultation with state and federal fish and wildlife agencies under the Endangered Species Act. If dredged material is deposited on land it may be subject to laws regulating solid waste. While the objectives of these laws must be respected, the overlapping laws and agency jurisdictions make permit requirements for dredging permits a constantly moving target. The result is inertia not the development of acceptable dredged projects.

Recommended Action:

- **A streamlined federal permit process should be put into place that eliminates redundant, sequential reviews, sets out clear lines of responsibility and limits authority of the various interested regulatory agencies. Where feasible, timelines should be established for permit review.**

The Corps can only permit disposal of dredged material which meets guidelines and criteria established by the U.S. Environmental Protection Agency (EPA). In developing guidelines under the CWA and criteria pursuant to the ODA, EPA must consider the need for the dumping, its effects on human health, fish and wildlife, and the potential for persistent or long term impacts. Under the CWA, dredged material will not be discharged into the aquatic ecosystem unless it can be demonstrated that it will not cause "an unacceptable adverse impact," on the ecosystem. The disjointed regulatory efforts that result from different statutory measures that regulate ocean and bay disposal need to be rationalized with clear direction on where and how it is most appropriate to dispose of dredged material in the ocean, in bays, in confined near shore sites, and in upland sites.

Recommended Action:

- **The CWA should be amended to establish a new section for permitting of dredged material in connection with navigation projects separate from Section 404 wetlands permitting. Such a section should:**

  (i) provide for establishment of criteria and procedures consistent with the ODA;

  (ii) provide for regional, site-specific general permits for low volume, regular maintenance dredging;

  (iii) recognize that all dredged disposal alternatives should be considered and encourage the use of good management practice, such as capping, to isolate any contaminants; and,

  (iv) address upland disposal and beneficial use criteria.

V. Dredged Material Management and Disposal

A. Disposal Alternatives

Increasing concern for the need to improve water quality and to protect aquatic habitats has limited the options for placement of dredged material in open water and has increased regulation and oversight of dredging activities. Estuaries can be ecologically sensitive and the presence of wetlands limit the availability of near shore disposal sites. Upland sites are being rapidly depleted due to urbanization and increasing land use restrictions. The reality is that dredging must continue and dredged material must be placed somewhere. Consequently, there is a national need to establish a rational process for making a decision.

Unfortunately, our ability and willingness to implement solutions have not kept pace with our technical ability to identify environmental problems. We can both protect the environment and get on with the business of dredging. No disposal or management option should be categorically excluded if it can be shown that it may be environmentally preferable and cost-effective. This principle has been recognized by the London Convention of 1972, the international treaty governing ocean dumping, and by recently issued EPA/Corps guidance, "Assessing Environmental Effects of Dredged Material Management Alternatives."

Recommended Actions:

- **The CWA and ODA should provide explicitly for consideration of the full range of disposal options, with the total decisions based on both the characteristics of the material and the circumstances of the project area, in order to ensure that the most environmentally sound and cost-effective disposal option reasonably available is selected.**

- **In the event that a federal or state resource agency opposes the dredged material disposal alternative selected by the Corps, which is consistent with EPA criteria and guidelines, that agency should be required to identify acceptable alternatives and to assure the availability of funding to cover any incremental costs above the recommended alternative.**

B. Dredged Material Disposal Areas

Despite the fact that the construction and maintenance of disposal facilities are an integral part of the construction and maintenance of federally justified and authorized navigation projects, local project sponsors in most cases are responsible to pay 100 percent of near shore confined and upland disposal costs. The Water Resources Development Acts (WRDA) of '86 and '90 established a federal/local project partnership and required local cost sharing for all other construction-related project components, except disposal areas and full coverage of all maintenance costs through the Harbor Maintenance Trust Fund (funded entirely by a tax on the value of cargo passing through ports.) The development of disposal facilities nationwide is crucial to the facilitation of construction and maintenance of federal and non-federal navigation improvements. *National navigational benefits cannot be realized unless and until adequate and environmentally protective disposal sites are available.*

Construction of readily accessible nearshore disposal facilities and sites for contaminated dredged material could result in lower costs for maintenance dredging overtime. Even if there are marginally increased costs, required federal cost sharing for landside and confined disposal facilities would put all disposal options on an equal footing and have the positive impact of allowing the Corps to fully realize the goals of its "environmental mission" by providing opportunities for restoration of wetlands, and full consideration of other environmental benefits in determining disposal options.

Recommended Actions:

- **Amend the provisions of WRDA '86 to establish a lead federal responsibility to assure the availability and pay the cost for construction of adequate, environmentally protective dredged material disposal areas needed in connection with the construction and maintenance of federal and non-federal deep draft navigational improvements.**

- **Regulations and guidelines for the construction and management of confined disposal areas should be established and implemented by EPA's Office of Water.**

C. Beneficial Use

Most dredged material is not contaminated. When dredged material is suitable for beneficial use (e.g., beach nourishment, wetlands restoration, bank stabilization) it should be viewed as a potential resource. There are, however, many practical problems to implementation of this policy. *The single largest obstacle to more widespread beneficial use of dredged material is lack of funds.*

Too often, the beach or wetland restoration site is not in close proximity to the dredge site, therefore, it is difficult or expensive to move the material. In other cases, there may be no beneficial use site available at the time the dredging project is scheduled to move forward. Ports support a broader federal and state commitment to the beneficial use of dredged material; however, the port as local project sponsor should not bear the additional cost. The beneficiaries (direct users, local taxpayers, state, or federal government) should bear the increased cost. Dredging projects should not be delayed when funding is not available or there is no consensus on beneficial use of the dredged material.

As water dependent entities, ports are well aware of the need for the protection and restoration of our nation's coastal wetlands and mitigation for project development impacts. However, it is in the "national" interest to restore wetlands and the ports already bear a significant cost of federal dredging projects.

Recommended Actions:

- **The federal government should amend its regulations to encourage beneficial use of dredged material, where funds are available.**
- **Mitigation requirements should be set at levels that reflect the actual functions and values of wetlands properties that are developed.**
- **Regional mitigation banks should be established, and in lieu fees permitted, to accommodate the cost-effective development of ecologically valuable wetlands.**

V. Regulation of Contaminated Sediments

A. Extent of Contamination

Ports tend to be located in areas of high population density and industrial activity. Contaminants from upstream sources of pollution can adhere to sediments and be transported downstream into harbors. As a result, public port authorities that need to dredge their navigation channels can find themselves confronting a build up of contaminants that have, quite literally, been dumped into their harbors over a long period of time. The extent of sediment contamination in navigation channels currently dredged is, however, much less extensive than commonly perceived. **To direct limited cleanup resources at the large volume, but low level, pollutants in navigation dredging projects is neither environmentally productive nor cost-effective.**

While the National Oceanic and Atmospheric Administration's National Status and Trends Program has found sediment contamination nationwide, they concluded that "on a national scale, biological effects are restricted to extremely contaminated and spatially limited locales." A 1989 National Research Council study on contaminated sediments concluded that most highly contaminated areas do not even fall under the Corps' navigational authority. Most of the serious sediment contamination problems in this country are well away from navigable channels, and involve discharge of poorly treated wastes, such as the buildup of DDT and other contaminants near Palos Verdes in Santa Monica Bay and near sanitary outfalls in Puget Sound. Other serious problems, particularly in the Great Lakes, are associated with aerial fallout and stormwater runoff.

The low levels of contaminants usually found in dredged material can be managed so that there is little, if any, significant impact on the environment. Unfortunately, when reviewing dredging permits, federal regulatory agencies fail to correct the public misperception that there is widespread contamination that cannot be safely managed.

Recommended Actions:

- **A regulatory approach should be adopted that directs resources to maximize environmental benefit, rather than mandate expenditures for low risk, low priority dredging impacts.**
- **Ports support the formation of the National Contaminated Sediment Task Force as provided for in the Water Resources Development Act of 1992, to advise EPA and the Corps, regarding the development of appropriate sediment quality criteria, and the monitoring and management of contaminated sediments.**

B. Decontamination

Efforts are underway to identify remediation and decontamination technologies that can be applied to rid dredged material of contaminants. For example, the Assessment and Remediation of Contaminated Sediments (ARCS) initiative in the Great Lakes has identified some promising approaches in the lab. However, these have only been bench scale tests and have not been tried on a large scale. It has been estimated that the cost of implementing remediation technology on a broad scale can be prohibitive, costing over $400 per cubic yard. Application of decontamination technologies are not feasible in the near-term for broad scale applications.

Recommended Action:

- **The federal government should increase research and development of decontamination technology, as well as for low cost technologies and practices for highly contaminated sediment, as well as, the handling and management of large volumes of dredged material that include low levels of contaminants, including capping and borrow pits.**

VI. Cost Sharing and the Local/Federal Partnership

Since the cost sharing reforms of the 1986 Water Resources Development Act, ports as the local sponsor of navigation dredging projects pay between 35 and 60 percent of the project construction cost of federal navigation projects depending on the depth of the project. The rationale for the cost sharing was that, while the federal investment in the project is justified by the "national interest" in transportation efficiencies and savings from the project, the private and local beneficiaries of the project should also bear some of the cost.

The federal government recoups more than 100% of the cost of channel maintenance through a tax on the value of cargo moving through the commercial ports.

The local navigation project sponsors are 100% responsible for dredging non-federal access channels and berthing areas that connect ports to federal channels, and currently bear all of the cost of providing lands, easements, and disposal areas if open water dredge disposal sites are not available.

Any increase in project cost or delay in project implementation has a direct effect on the port's cost share and, of course, on port operations that rely on the improvement. Despite the significant financial contribution of the ports to navigation projects, the Corps has been slow to recognize ports as "partners" in the implementation of navigation projects. Recognition of the ports as full partners in navigation projects will save both federal and local dollars through more efficient project management.

Recommended Actions:

- **There needs to be a review of the current process for planning and implementation of navigation projects** to determine how they can be completed in a more timely and cost-effective fashion, saving federal, as well as local, dollars.

- **The role of the local sponsor should be increased at every stage of the project.**

FOR MORE INFORMATION ON DREDGING CONTACT:

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Alexandria, VA 22314
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Tony MacDonald, Director of Environmental Affairs

December 3, 1993

The Honorable William J. Clinton
President
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear Mr. President:

The undersigned organizations believe our nation's deep-draft commercial navigation system is essential to U.S. trade, economic development and national security objectives. Consequently, we urge you to establish clear and consistent national policies that will ensure the timely and cost-effective dredging of our nation's ports.

We welcome your Administration's involvement with this issue as evidenced by your leadership in seeking to resolve the "mudlock" at the Port of Oakland. However, this is not just a Port of Oakland problem -- it is, as Transportation Secretary Federico Peña has said, a national "dredging crisis." According to Secretary Peña: "Dredging is submerged in conflicting missions and mandates and among a number of federal agencies and a pyramid of federal rules and regulations, plus state and government laws, which make it a miracle every time a port dredging project is brought to fruition."

We agree. But neither our nation nor our ports can continue to depend on miracles. We all have a significant stake in resolving these conflicts. The deep draft ports of our country handle over 99 percent of the nation's international trade -- nearly one billion tons of cargo annually worth nearly $500 billion. In 1991, commerce generated by the movement of cargo alone provided employment for 1.5 million Americans. Cruise passenger operations at U.S. ports generated nearly one-half million more jobs. Contributions to the gross domestic product from cargo alone totalled $70 billion.

Well maintained ports are also vital to our national security. Ports are essential to the mobilization, deployment and resupply of U.S. forces. For example, during the Gulf War, U.S. ports handled two-thirds of the military cargo -- approximately 2.3 million measurement tons -- bound for that mid-east theater of operations.

The Honorable William J. Clinton
December 3, 1993
Page 2

However, these economic and national security benefits are curtailed when port access is limited by inadequate channel depths or projects are delayed because of regulatory gridlock. Economic losses are suffered both at the local level, where dredging has not been able to take place, as well as the national level, as our national transportation system has not been able to operate at maximum efficiency and our trade opportunities are affected.

More than 90 percent of our ports require regular maintenance dredging. These ports are diverse -- they include our largest container ports, as well as other ports that principally handle such products as petroleum, steel, automobiles and fruit. Because many U.S. export commodities -- grain, coal, and forest products, to name a few -- face tough competition around the world, even marginal transportation cost increases affect their marketability and, consequently, the nation's balance of trade. It is clear that dredging, whether to maintain existing depths or to deepen channels to meet the demand of the next generation of ocean carriers, is as essential to our nation's commerce as maintaining and improving our highways and railroads.

As a result the American Association of Port Authorities has developed "Open Channels to Trade -- A Proposal for a National Dredging Policy" (attached). We believe this proposal sets out the basic principles and concerns that need to be addressed to resolve our nation's dredging crisis. This proposal requests you to direct federal agencies to facilitate navigation dredging projects, and issue guidance to ensure uniform application of all relevant policies at the national, regional and local levels. In addition, we request that you support regulatory and statutory changes to the Clean Water Act and Water Resources Development Act that are needed to ensure prompt consideration of dredging permits and to establish a federal commitment to assure availability of suitable dredged material disposal areas.

Your Administration has already undertaken an important step. At the request of Secretary Peña, whose commitment to successfully address the dredging issue is greatly appreciated, the Department of Transportation has convened an Interagency Working Group. This Working Group will review the dredging project approval process and identify ways to improve interagency coordination, criteria review, and sequencing of approvals. We look forward to a prompt and successful conclusion of this important initiative

The dredging crisis has, to a large extent, resulted from a "false choice" that pits the economy against the environment. We believe it is possible, with your leadership and commitment, to both enhance the economy and protect the environment through implementation of recommendations contained in the National Dredging Policy.

The Honorable William J. Clinton
December 3, 1993
Page 3

We hope that you will support the National Dredging Policy proposals. We need clear policy direction from the White House, providing a framework for all interested parties to work together to keep our nation's navigation channels open for trade. We look forward to working with your Administration to achieve these important national objectives.

Respectfully,

American Association of Port Authorities
American Institute of Merchant Shipping
American Maritime Congress
American Pilots Association
American President Lines, Inc.
American Waterways Operators, Inc.
Arkansas-Oklahoma Port Operators Association
Association of American Railroads
Bay Planning Coalition
Carriers Container Council, Inc.
Crowley Maritime Corp.
Dredging Contractors of America
Gulf Intracoastal Canal Association
Intermodal Association of North America
International Council of Cruise Lines
Lake Carriers Association
Maersk Line, Inc.
Maritime Institute for Research and Industrial Development
Matson Navigation Company, Inc.
National Association of Waterfront Employers
National Industrial Transportation League
National Waterways Conference
Pacific Northwest Waterways Association
Passenger Vessel Association
Propeller Club of America
Sea-Land Service, Inc.
Shipbuilders Council of America
Tennessee-Tombigbee Waterway Development Council
Transportation Institute
Warrior-Tombigbee Development Association
Water Resources Congress

THE WHITE HOUSE

WASHINGTON

March 25, 1994

Mr. Erik Stromberg
President
American Association of Port Authorities
1010 Duke Street
Alexandria, Virginia 22314

Dear Erik:

As the members of the American Association of Port Authorities gather in Washington, D.C., this month for their Spring Conference, I want to express my support for the strong and competitive port system that is essential to our Nation's success in international commerce. I also want to take this opportunity to thank your Association for its strong support for passage of the North American Free Trade Agreement. The public port community will play a pivotal role as we expand export trading opportunities and create a truly global marketplace.

Ports can only realize their full potential as magnets for shipping and commerce if our Nation's harbors are dredged and open for trade. Last August in Oakland, California, I directed the Federal agencies to resolve the navigational and environmental concerns that have long stymied dredging in that port. I recognize that these problems are not unique to Oakland. Dredging, the need for long-term disposal solutions, and disposal of contaminated sediments are a national concern. I am convinced that we can find a way to dredge our Nation's ports without compromising environmental protection. Toward this end, the Administration's Clean Water Initiative calls for actions that, over time, will reduce the deposition of sediments and contaminants, and is deserving of your support.

Too often, dredging projects are caught up in a regulatory tangle. My Administration will work with ports to develop improved long-term dredge management plans that will help avoid delays in important navigation projects without compromising the environment. In addition, all Federal agencies involved in dredging issues have joined an interagency Working Group on the Dredging Process. This Group will identify further actions that can protect the environment while meeting transportation needs.

To achieve our shared goals of enhancing both economic competitiveness and environmental protection, all parties to the dredging debate must look beyond traditional narrow interests. I am calling on Federal agencies to redouble their efforts, and urge the State, local, port, environmental and other interested groups to continue their joint efforts to find solutions to these problems. Our Nation's ports are a key link in the Nation's intermodal transportation chain, and your continued success and support will be crucial to achieving our goals.

Sincerely,

Bill Clinton

TESTIMONY

BEFORE

THE SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT
COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
U. S. HOUSE OF REPRESENTATIVES

July 26, 1994

THE WATER RESOURCES DEVELOPMENT ACT OF 1994

Presented By

William L. Zaun, Director of Public Works
Environmental Management Agency
County of Orange, California
(714) 834-2308

Mr. Chairman, I am William L. Zaun, the Director of Public Works representing Orange County, California. I am here today to present a proposal to adjust the cost sharing for the Prado Dam Raising segment of the Santa Ana River Mainstem Project, California.

Prado Dam was originally constructed in 1941 to provide flood protection in the Santa Ana River Basin in Orange County, California. It provided a 200-year level of protection and was constructed at full Federal cost. By the early 1970's, it was clear that the level of protection provided by the dam had been significantly reduced (perhaps down to 70-year protection) and there was a serious concern over the safety of the dam in the event of a probable maximum flood. We have been working with the Corps of Engineers for over 20 years to plan, design and construct a project that would raise the level of protection to that which existed when the dam was constructed in 1941.

There were several reasons for the decrease in level of protection. These included:

a. Unanticipated development upstream of the dam;

b. Updated hydrologic criteria indicated that the standard project flood would be substantially larger than was thought in 1941 when Prado Dam was designed and built;

c. Deposition of 25,000 acre-feet of sediment;

d. Reduction of the maximum scheduled release from Prado Dam due to downstream channel conditions.

All through the study stage, the raising of Prado Dam was recognized as the most critical flood control project of the Corps because of the danger to the densely populated area and, for that matter, the safety of the structure itself could be in danger in the event of a major flood. Damages

exceeding $15 billion could occur in the floodplain downstream from Prado Dam in which two million people reside. We simply cannot afford to let this flood threat continue. The solution is the construction of all elements of the Santa Ana River Project and, in particular, the raising of Prado Dam and Spillway.

The Santa Ana River Mainstem Project was authorized in the Water Resources Development Act of 1986 (WRDA '86). It consists of several elements, the three major ones being the raising of Prado Dam, construction of Seven Oaks Dam, well upstream of Prado Dam, and the improvements to channels downstream from Prado Dam. WRDA '86 also modified cost sharing of flood control projects, most notably on reservoir projects. The raising of Prado Dam prior to WRDA '86 would have been virtually entirely a Federal cost based on cost sharing laws in effect at that time. However, WRDA '86 resulted in non-Federal sponsors paying 62 percent for the Prado Dam Raising because of the high cost of lands. We believe this is well beyond the intention of Congress, particularly on a project which restores the level of protection provided by a federally financed reservoir and which also corrects a dam safety problem.

We understand why the Corps required the non-Federal sponsors to pay 62 percent based on the interpretation of WRDA '86 cost sharing. However, we do not believe that the intent of WRDA '86 was for such a dramatic increase. Accordingly, we are seeking legislation which would result in 25 percent cost sharing for the raising of Prado Dam. This cost sharing is consistent with the policy of the Corps of Engineers in correcting deficiencies on other existing flood control projects where land acquisition is not a major feature. Based on WRDA '86 cost sharing of other elements of the Santa Ana River Project, the legislative proposal also would result in an increase in the cost sharing of the Seven Oaks Dam and channel work downstream from Prado Dam so that the overall cost sharing of the Santa Ana River Project would be 25 percent.

Based on financial data submitted in support of the FY 1994 Budget, the total project cost was $1.446 billion of which $487 million was

non-Federal. Orange County was responsible for over 90 percent of the non-Federal share. The proposed amendment would reduce the non-Federal cost of the Santa Ana River Project from $487 million to $362 million and allow the project construction to continue as designed and as scheduled. To date, Orange County has appropriated $286 million for the project of which $140 million has been expended, primarily on Seven Oaks Dam, downstream channel work and the pre-acquisition land costs associated with the Prado Dam Raising.

Mr. Chairman, this is a unique project both in its magnitude and the fact that there is no other project like that in the entire country. Orange County is most anxious to complete the project and is quite willing to contribute to the financing of it. However, we strongly feel that the 62 percent cost sharing (which includes correction of the dam safety problem) is by far more than was intended by WRDA '86. According, we seek your support of our proposed legislation.

ADDITIONS TO THE RECORD

COLUSA BASIN DRAINAGE DISTRICT

P.O. Box 312, Woodland, California 95776 Phone: (916) 795-3038 Fax: (916) 795-4745

Testimony of
Keith Hansen, Director
COLUSA BASIN DRAINAGE DISTRICT
Before the
SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT
OF THE HOUSE PUBLIC WORKS AND TRANSPORTATION COMMITTEE
Regarding
THE WATER RESOURCES DEVELOPMENT ACT OF 1994

July 26, 1994

Mr. Chairman and Members of the Subcommittee, I appreciate the opportunity to submit testimony regarding the Water Resources Development Act of 1994 on behalf of the Colusa Basin Drainage District.

The Colusa Basin Drainage District is located on the west side of the Sacramento River. The District covers 650,000 acres in three counties -- Glenn, Colusa and Yolo counties -- and stretches from Orland to Woodland. Almost all of the water on the west side of the Sacramento Valley -- more than 1,000,000 acres -- drains into the Colusa Basin Drain, the cornerstone of the District, and eventually into the Sacramento River at Knights Landing. The Drain was constructed to accommodate 200,000 acres of irrigated land, yet now -- when there is water -- the drain handles the runoff from more than 600,000 acres of irrigated land.

The District is a large watershed, comprised of 21 smaller watersheds. It not only is a rich agricultural area, but a rich wildlife area as well, including three national wildlife refuges. The Corps of Engineers has a definite interest in the district, since all water eventually reaches the Sacramento River, the eastern boundary.

The Colusa Basin Drainage District requests the Subcommittee to provide the Corps of Engineers with the authority to participate in locally-based integrated resource management programs to meet multiple water use and environmental objectives.

The Colusa Basin Drainage District believes that a cooperative, integrated approach to watershed management will allow water projects to meet multiple needs within the watershed, enhance and protect the environment and avoid costly conflicts. The District is taking such an approach to the management of the vast resources within its boundaries.

The Colusa Basin Drainage District, however, needs the support of the Corps of Engineers as well as other resource agencies, if it is to succeed. It is for this reason that we request the Subcommittee to authorize the Corps to become a partner, a stakeholder, to help local farmers, water managers, state and other federal agencies, environmentalists and the citizens of affected towns to identify the most affordable projects that will provide the greatest benefit to the basin.

Many of the Corps' primary missions will be advanced by participation in this program: flood control will be improved, wetlands will be restored and enhanced, and water supplies will be increased. And, the project builds on the Corps' long history of involvement in these issues throughout the Sacramento Valley. Flood protection, for example, provided by the Corps' great Sacramento River Flood Control Project may be expanded by the work envisioned as part of the Colusa Basin Drainage District's integrated resource management plan.

Currently, the District is in the process of ranking the 21 watersheds within the District's boundaries. the objective of the ranking is to define areas where it is most feasible to achieve the District's goals to (1) protect agricultural production; (2) capture surface or stormwater for conservation, conjunctive use and increased water supplies; (3) provide flood and drainage water protection for urban and agricultural interests; (4) assist in groundwater recharge efforts to alleviate overdraft and land subsidence; and (5) improve and enhance opportunities for wetland and riparian habitats.

The District intends to select three watersheds to serve as a demonstration for the integrated resources management project. The key immediate tasks include feasibility-level analyses of hydrologic, hydrogeologic, geophysical, and natural resources; facility options and operations; and economic feasibility.

As you know, Mr. Chairman, the Western states are constantly struggling to balance the often competing water needs of agriculture, cities and the environment. Achieving the proper balance is especially challenging in California, where rapid growth, drought and environmental problems are placing increasing demands on flood control and water supply projects.

The District joins members of the California Delegation in urging the Subcommittee to consider authorizing the Corps to enter into partnerships with water managers, farmers, environmentalists and other federal, state and local agencies to develop and carry out integrated resource management projects such as the Colusa Basin Drainage District effort. Under the program, the Corps' role would be to facilitate (rather than dominate) locally based efforts.

Specifically, Mr. Chairman, we ask the Subcommittee to authorize a pilot program to support watershed management projects like the Colusa Basin Drainage District's integrated resource management plan. We ask that the Corps be granted the authority to enter into cooperative agreements that permit the Corps to reimburse the non-federal project sponsors for work that meets Corps authorized objectives and federal standards.

Such authority will expedite the accomplishment of Corps objectives, with the least federal investment.

The Colusa Basin Drainage District would welcome the opportunity to provide the Subcommittee any assistance it might require in developing an effective way for the Corps to support this and other cooperative programs.

Thank you for your consideration.

Maryland Department of Transportation
The Secretary's Office

William Donald Schaefer
Governor

O. James Lighthizer
Secretary

Thomas L. Osborne
Deputy Secretary

July 26, 1994

The Honorable Wayne Gilchrest
United States Congress
412 Cannon House Office Building
Washington DC 20515

Dear Congressman Gilchrest:

I am pleased to submit the Maryland Department of Transportation's testimony related to the proposed Water Resources Development Act of 1994. I ask that this be officially included within the record of the hearings conducted by the House Public Works Committee's Subcommittee on Water Resources and Environment.

I want to thank you for your interest in our proposals. I was especially pleased to learn that you will be personally testifying before the Committee tomorrow on these projects. Your personal involvement is much appreciated!

Please let me know if there is anything we might do to be of assistance to you.

Sincerely,

O. James Lighthizer
Secretary

Attachment

cc: Mr. Michael Angelos
The Honorable William Donald Schaefer
Mr. Dan Walsh
Ms. Serena Willey

My telephone number is (410)- 859-7600
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TESTIMONY
OF THE MARYLAND DEPARTMENT OF TRANSPORTATION
MARYLAND PORT ADMINISTRATION
BEFORE THE HOUSE PUBLIC WORKS COMMITTEE
WATER RESOURCES AND ENVIRONMENT SUBCOMMITTEE

July 26, 1994

The Maryland Department of Transportation is pleased to present testimony regarding various proposals related to the channel system serving the Port of Baltimore.

In the way of background, the Port of Baltimore is a major factor in the economy of the State of Maryland. Each year the port generates more than $1.3 billion in statewide economic impact. Some 87,000 jobs are directly or indirectly related to port activity. During the first half of calendar year 1994, cargo tonnage at the port's public terminals surged by twenty percent (20%) over the same period last year. At the same time, a dozen shipping lines have either expanded service to the port or have added new service. Our success in maintaining and improving our channel system will help to assure the continued growth in activity at the Port of Baltimore throughout the remainder of this decade and into the 21st century.

The port is served by a two-pronged channel system. Channels which approach the port from the south -- from the mouth of the Chesapeake Bay -- are maintained at an authorized depth of fifty (50) feet. Channels leading to and from the north -- via the Chesapeake and Delaware Canal -- are maintained at an authorized depth of thirty-five (35) feet. The southern approach is used by both deep draft bulk cargo carriers and container ships; whereas the C&D Canal system, which is in essence a short cut to and from points north, is especially important for container ships carrying high value cargo.

We present for the Committee's consideration four proposals. These are:

1. Increase federal funding authorized for "beneficial use" projects involving disposal of dredged material. More specifically, we urge that the House of Representatives approve the Chesapeake Bay Environmental Restoration and Protection Program (HB 4320).

2. Authorize the Corps of Engineers to undertake, at its cost in accord with its responsibilities to maintain and operate the Chesapeake and Delaware Canal, the Worton Point Beneficial Use Project.

3. Authorize safety related improvements to the Tolchester Channel within the Chesapeake Bay.

4. Clarify language related to the previous authorization governing improvements to the Brewerton Channel -- Eastern Extension.

The first two proposals relate to a challenge which is particular not only to the Chesapeake Bay region -- indeed they reflect a challenge encountered wherever channels must be dredged: the need to undertake such vital work in a manner which enhances the marine environment and improves the quality of life. Our third proposal would modify an existing authorization to allow much needed safety related improvements to a part of the C & D Canal system. The last proposal pertains to a project which was authorized in 1958. This project was partially implemented in the mid 1980's; we are seeking clarification that the original terms of the authorization apply to the work remaining to be done.

These proposals are discussed below.

Increase Funding For Beneficial Use Dredge Placement Projects

We recommend: a) approval of the proposed Chesapeake Bay Environmental Restoration and Protection Program (HB 4320), which would authorize $30 million for projects in the Chesapeake Bay region, or b) increasing the amount of funds authorized in section 204 of the 1992 Water Resources and Development Act (WRDA).

Like many other agencies involved in the maintenance and improvement of maritime ship channels, we in Maryland face a major opportunity and challenge -- balancing the need for cost effective placement of dredged materials with the need to enhance the environment. In environmentally sensitive and increasingly built-up areas such as the Chesapeake Bay, one can no longer rely exclusively on traditional methods of disposal; e.g. overboard disposal or large containment sites. It is becoming increasingly clear that, as part of efforts to maintain water quality, marine life, and the human environment, we must supplement traditional disposal methods with new and creative measures involving the beneficial use of dredged material.

In order to maintain the shipping channels serving the Port of Baltimore at their existing authorized depths, each year we must dredge approximately four million cubic yards of material from Maryland waters of the Chesapeake Bay. Any new work, such as improvement or deepening of ship channels, would require dredging additional amounts of material. In the past, Maryland has been able to meet its dredge disposal needs by careful use of overboard placement within Chesapeake Bay waters and by use of the Hart Miller Island Disposal site. We intend to continue overboard placement of dredged material if and where it can be done without adversely impacting the marine environment. Nevertheless, this option will provide relatively little capacity. Furthermore, the remaining capacity of the

sixty (60) million ± cubic yard Hart Miller Island site is limited. Although we are in the process of developing a new containment site within the Port of Baltimore, site constraints are such that its capacity will be relatively limited. In sum, in order to meet the dredging needs of the port, we must supplement these measures with other options.

Bringing together all concerned parties, the State of Maryland has studied a full range of placement options. As a result, we have identified four potential beneficial use projects. One, the Poplar Island Project, would restore an eroded island within the bay to its configuration in the mid 19th century. Poplar Island is located on the east side of the bay approximately fifteen miles south of the Bay Bridge. The project consists of four cells, totalling nearly 1,000 acres in size. The expected capacity of the site is approximately eleven million cubic yards. (It should be noted that the capacity is relatively small because material will be placed at a relatively low elevation above sea level in order to create wetlands.) This project will cost as much as $50 million[1]. A second beneficial use project, the Worton Point project, would stabilize an eroding shoreline. (See discussion below.) Both projects would involve creation of new wetlands and wildlife habitats. Additional beneficial use projects located throughout the bay region are also under consideration.

In general, federal policy provides that local parties pay 100% of the cost of disposal of dredged material. Yet at the same time, it is clearly the policy of the federal government to improve and protect the natural environment. Typically, beneficial use projects, such as those involving the restoration of eroding shorelines, beaches or islands or the development of tidal marsh areas, cost far more on a per cubic yard basis than do more conventional methods of disposal. If we are to successfully blend the needs of maritime commerce and environmental and community enhancement, there must be an active federal role in the funding of beneficial use projects.

Congress recognized this in Section 204 of the 1992 Water Resources Development Act. However, the funding provided therein -- $15 million nationwide -- is inadequate to fund a significant number of projects. It is therefore extremely important that the Committee consider increasing funding for beneficial use projects. To remedy this situation, we recommend approval of the proposed Chesapeake Bay Environmental Restoration and Protection Program (HB 4320), which would authorize $30 million for projects in the Chesapeake Bay region, or b) increasing the amount of funds authorized in section 204 of the 1992 Water Resources and Development Act (WRDA).

---

[1] The $50 million figure represents the cost to construct the facility and to operate it during placement of dredge materials. The cost to transport material to the site is approximately $45 million.

Authorize the Worton Point Beneficial Use Project

We request that the Corps of Engineers be authorized to undertake this project at its cost. This would be in accord with the Corp's of Engineers' responsibility for the management and operation of the Chesapeake and Delaware Canal.

The Worton Point project is one of several that have been identified by the various state and federal agencies involved in the selection of potential "beneficial use" disposal sites. It is located on the east side of the Chesapeake Bay in Kent County. The Worton Point project involves a 200 acre site that will provide approximately eight (8) million cubic yards of placement capacity. The site provides an excellent opportunity to use dredged material beneficially by stopping erosion of Worton Point cliffs and by creating acres of wetland and upland habitat. The project's cost is estimated to be $44 million.

The project would provide an ideal demonstration project for the Corps of Engineers. It is located in close proximity to channels connecting to the Chesapeake and Delaware Canal. The Corps of Engineers, which owns and operates the canal, has traditionally paid all costs associated with the disposal of material taken from the canal itself. Currently, materials are placed either at upland sites developed and operated by the Corps of Engineers or are placed in open water in the bay. Since the open water placement site currently in use will be available for only several additional years, new locations providing capacity for future placement must be secured. The Worton Point shoreline enhancement project is well suited for this purpose.

Authorization to Make Safety Related Modifications to The Tolchester Channel

We request that Congress authorize safety related modifications to the Tolchester Channel, an integral part of the channel system linking the Port of Baltimore to points north through the Chesapeake and Delaware Canal. More specifically, we request that the Committee authorize a project to correct the "S-Turn" in the channel, at a cost of approximately $14 million.

Ships using the Tolchester Channel must make five changes in course within three miles. Often ships are unable to complete one turn before beginning a subsequent turn, sometimes in the opposite direction. With the use of increasingly longer ships, some of which approach 1,000 feet in length, it has become difficult to safely navigate the channel, especially in winter months when poor weather, ice, wind, and tide conditions prevail. The Maryland Association of Pilots has indicated that there have been two recent groundings in this area, and that there have been a greater number of "near misses." The Maryland Association of Pilots has urged that the Tolchester Channel S-turn be modified as soon as possible.

The estimated total cost of the dredging work is $14 million. The federal share (75%) would be $10.5 million; the state share (25%) would be $3.5 million. Approximately 2.8 million cubic yards of material would be dredged in order to create an improved channel.

This authorization would modify the authorization for the "the navigational project for Baltimore Harbor and Channels," authorized under the River and Harbor Act of 1958, approved July 3, 1958.

Brewerton Extension Channel

Finally, we request that the Committee include bill language clarifying that the terms of the 1958 authorization to improve the Brewerton Channel - Eastern Extension still apply to work remaining to be done at this location. More specifically, we request that such language confirm that the work remaining to be done should be done at 100% federal expense, in accord with the terms of the 1958 authorization.

The Brewerton Extension Channel connects the channels within the Port of Baltimore to the approach channels to the C & D Canal. Created in 1946-1947, this channel was originally dredged to a 27' depth and 400' width. In 1958, Congress authorized the improvement of the channel to 35' depth and 600' width (P.L.85-800). Under this authorization, the Corps of Engineers is responsible for 100% of the cost of the dredging.

No action was taken until the mid 1980's, when it was decided to proceed with the authorized dredging. In a cooperative effort to save money, the State of Maryland and the Maryland Pilots Association agreed to a request made by the Corps of Engineers to limit the width of the 35' deep section to 450' instead of 600'. The agreement to undertake a partial widening of the channel reduced the federal government's cost by tens of millions of dollars. This deepening proceeded using 100% federal funds.

It is now necessary to implement the deferred portion of the originally authorized deepening. Use of increasingly longer ships, combined with wind conditions and tidal currents, indicates that the interim 450' width is no longer adequate. The Maryland Pilots Association has recommended that we proceed with the deepening of the channel over the additional 150' width as authorized under P.L. 85-800.

The Corps of Engineers has indicated that the cost of such deepening will have to be shared -- in accord with the provisions of federal legislation passed in 1986. We respectfully disagree -- the completion of the dredging of the channel to the depth and width authorized in 1958 should be funded in accordance with that authorization (100% federal), not in accord with legislation which was enacted some twenty-five years afterwards. We therefore request that language be inserted in the bill which will resolve this issue.

* * * * *

In conclusion, we express our appreciation to the Committee for its consideration of these proposals. We applaud the efforts of the Congress to continue the much needed improvement of our nations harbors and channel systems, and we look forward to meeting the challenge to do so in a manner which improves the environment.

dated July 9, 1984, at a total cost of $15,900,000, with an estimated first Federal cost of $7,950,000 and an estimated first non-Federal cost of $7,950,000.

PRESQUE ISLE PENINSULA, ERIE, PENNSYLVANIA

The project for shoreline protection, Presque Isle Peninsula, Erie, Pennsylvania: Report of the Chief of Engineers, dated October 2, 1981, at a total cost of $34,800,000, with an estimated first Federal cost of $18,900,000 and an estimated first non-Federal cost of $15,900,000.

FOLLY BEACH, SOUTH CAROLINA

The project for shoreline protection, Folly Beach, South Carolina: Report of the Chief of Engineers, dated March 17, 1981, at a total cost of $7,040,000, with an estimated first Federal cost of $3,870,000 and an estimated first non-Federal cost of $3,170,000.

WILLOUGHBY SPIT, VIRGINIA

The project for shoreline protection, Willoughby Spit and Vicinity, Norfolk, Virginia: Report of the Chief of Engineers, dated April 17, 1984, at a total cost of $5,690,000, with an estimated first Federal cost of $4,250,000 and an estimated first non-Federal cost of $1,440,000.

VIRGINIA BEACH, VIRGINIA

The project for beach erosion control and hurricane protection, Virginia Beach, Virginia: Report of the Chief of Engineers, dated May 22, 1985, at a total cost of $42,400,000, with an estimated first Federal cost of $27,600,000 and an estimated first non-Federal cost of $14,800,000.

(b) AUTHORIZATION OF CONSTRUCTION SUBJECT TO FAVORABLE REPORT.—The following projects are authorized to be prosecuted by the Secretary substantially in accordance with the plans and subject to the conditions recommended in the respective reports cited, with such modifications as are recommended by the Chief of Engineers and approved by the Secretary, and with such other modifications as are recommended by the Secretary. If no report is cited for a project, the project is authorized to be prosecuted by the Secretary in accordance with a final report of the Chief of Engineers, and with such modifications as are recommended by the Secretary, and no construction on such project may be initiated until such a report is issued and approved by the Secretary.

PINELLAS COUNTY, FLORIDA

The project for beach erosion control for Pinellas County, Florida: Report of the Board of Engineers for Rivers and Harbors, dated April 23, 1985, at a total cost of $52,600,000, with an estimated first Federal cost of $32,700,000 and an estimated first non-Federal cost of $19,900,000.

ILLINOIS BEACH STATE PARK, ILLINOIS

The project for shoreline protection, Illinois Beach State Park, Illinois described as alternative 3A in Interim Report 1, Illinois-Wisconsin Stateline to Waukegan of the District Engineer, Chicago District, dated June 1982, at a total cost of $13,400,000, with an estimated first Federal cost of $9,390,000 and an estimated first non-Federal cost of $4,010,000.

COCONUT POINT, TUTUILA ISLAND, AMERICAN SAMOA

The project for shore protection at Coconut Point, Tutuilo Island, American Samoa, including a 3,600-foot long rock revetment to protect communal lands and public facilities, at a total cost of $2,810,000, with an estimated first Federal cost of $2,030,000 and an estimated first non-Federal cost of $780,000.

(c) PRECONSTRUCTION AUTHORIZATION.—The Secretary is authorized to carry out planning, engineering, and design for projects for shoreline erosion control at the following communities in New Jersey: Fort Elsinboro, Sea Breeze, Gandys Beach, Reeds Beach, Pierces Point, and Fortescue, at a total cost of $1,000,000.

(d) SECTION 103 PROJECTS.—The Secretary is authorized to carry out the following project under section 103 of the River and Harbor Act of 1962.

ORCHARD BEACH, NEW YORK

Subject to section 903(a) of this Act, the project for beach erosion control, Orchard Beach, New York: Draft Report of the District Engineer, New York District, dated July 1985, at a total cost of $2,480,000, with an estimated first Federal cost of $1,000,000 and an estimated first non-Federal cost of $1,480,000.

(e) TANGIER ISLAND, VIRGINIA.—Subject to section 903(a) of this Act, the Secretary is authorized and directed to design and construct an erosion control structure approximately 8,200 feet in length on the western shore of Tangier Island, Virginia, adequate to protect such island from further erosion, at a total cost of $3,200,000, with an estimated first Federal cost of $2,080,000 and an estimated first non-Federal cost of $1,120,000. Such project shall be carried out on an emergency basis, in view of the national, historic, and cultural value of the island and in order to protect the Federal investment in public facilities. Cost sharing applicable to hurricane and storm damage reduction shall apply to the project under this subsection.

SEC. 502. WESTHAMPTON BEACH, NEW YORK.

The Secretary shall apply the cost sharing provisions of section 31(1) of the Water Resources Development Act of 1974 (Public Law 93-251) to periodic nourishment of the continuing construction project at Westhampton Beach, New York, for a period of 20 years after the date of enactment of this Act.

FROM THE WATER RESOURCES DEVELOPMENT ACT OF 1986

Revised Appraisal Report

SHORELINE EROSION TANGIER ISLAND

Accomack County , Virginia

US Army Corps
Of Engineers
Norfolk District

July 1988

TANGIER ISLAND
ACCOMACK COUNTY, VIRGINIA

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STUDY AUTHORITY

This report was prepared under the authority of Sections 501(e) and 903(a) of the Water Resources Development Act (WRDA) of 1986, Public Law 99-662.

PURPOSE AND EXTENT OF STUDY

Although the entire western face of Tangier Island is experiencing severe erosion, the area of concern is the half of the island south of the channel from the Tangier harbor to the Chesapeake Bay. This area has been the focus of concern since the early 1970's. Various local and state officials have been following this problem and are anxious to implement a long-term solution to the erosion problem.

The purpose of this report is to determine the feasibility of alleviating the shoreline erosion problem on the western side of Tangier Island with consideration given to engineering, environmental, social, and economic factors.

PRIOR STUDIES AND REPORTS

Since 1970, Tangier Island and its erosion problem have been the object of several studies. From 1970 to 1973, the Corps studied protection for the shoreline adjacent to the southern quarter of the runway, which, at that time, was about 600 feet shorter than it is today. A June 1973 Detailed Project Report recommended the construction of a riprap revetment with sand fill to be placed along the severely eroded area at the south end of the runway. No further action on this study was taken because later that year the Virginia Division of Aeronautics decided to include shoreline protection measures along with their runway extension plans. These plans were implemented in 1976.

In 1975 the Commonwealth of Virginia established an interagency task force to consider the possible solutions to the erosion problem along Tangier's western shore. The February 1976 report of the task force recommended construction of a continuous seawall along 8,200 feet of exposed shoreline at a cost of $2,500,000. However, no Federal project could be recommended since the costs of this or any similar shoreline protection project would far outweigh the economic benefits under normal Corps planning guidelines. When the task force reconvened in 1978 to review the shoreline situation at Tangier, the construction of a seawall was again recommended in a report dated December 1978.

In 1979, the Commonwealth of Virginia, in an effort to expedite passage of special Congressional legislation, contracted with the Corps to provide a design, plans and specifications, and a cost estimate for a seawall at Tangier. This contract work was completed in June 1980.

In May 1986 an Appraisal Report dealing with the erosion problem at Tangier was prepared at the request of the Office of the Chief of Engineers. Project design and cost estimates have been updated consistent with the guidance provided by the Assistant Secretary of the Army (Civil Works), dated May 14, 1986. Construction of a seawall at Tangier Island was authorized by the Water Resources Development Act of 1986. An Environmental Assessment was prepared in May 1987.

EXISTING PROJECTS

There are two existing Federal projects on Tangier Island. The first of these, Tangier Channel to Tangier Sound, was authorized by the River and Harbor Act of 2 March 1919 and modified by the Public Works Administration Acts of 3 January 1934 and 30 August 1935 and the River and Harbor Act of 2 March 1945. This project provides for a channel 8 feet deep (m.l.w.), 100 feet wide, and 1,300 feet long in Tangier Sound; then, 8 feet deep, 60 feet wide, and 4,800 feet long to an anchorage basin 400 feet square and 7 feet deep adjacent to the town of Tangier. The second project, which is called Tangier Channel to Chesapeake Bay, was approved during 1964 by the Chief of Engineers under authority of Section 107 of the River and Harbor Act of 14 July

1960. It provides for a channel 7 feet deep and 60 feet wide from the anchorage basin at Tangier, northwesterly through Tangier Creek to that depth in the Chesapeake Bay, a total length of approximately 3,820 feet, including a land cut 300 feet long.

EXISTING CONDITIONS

Tangier Island is a marshy island about 5 miles long and 1 1/2 miles wide, located approximately 65 miles north of Norfolk, Virginia and 15 miles southwest of Crisfield, Maryland. (See figure 1.) Located in Accomack County, it is the southernmost of a series of islands separating the Chesapeake Bay from Tangier and Pocomoke Sounds. It is generally accessible year-round by boat from Crisfield or by airplane and in the summer by boat from Reedville, Virginia and Onancock, Virginia. With the exception of three sand ridges, the island is made up of low marsh land and tidal flats with elevations generally below 6 feet (m.l.w.). The populated areas of Tangier Island are situated on these three separate sand ridges known as Main Ridge, West Ridge, and Canton Ridge.

Accomack County is a rural county with a 1980 population of 31,268, a 7.8 percent increase from the 1970 population (U.S. Census). Projections by the Bureau of Economic Analysis (U. S. Department of Commerce) show a 2040 population of 43,870 for the county while the state projects 36,700 by the year 2030 (Department of Planning and Budget). The town of Tangier had a 1980 population of 771, a decline of 5.3 percent from 1970 and 12.0 percent from 1960. In general, Accomack County can be characterized as an area of slow growth which is projected to stay this way into the next century. The age structure of the county shows a large proportion of residents over 65 years old and a higher median age than that of the state as a whole, resulting from out-migration in the 18 to 44 age group and some in-migration of older individuals.

Accomack County's economy is based on the service, trade, manufacturing, and agricultural sectors. As of the 1980 census, 26 percent of the residents were employed in manufacturing, 21 percent in wholesale and retail trade, 21 percent in services, and 8 percent in agriculture, forestry, and fishing. Much of the manufacturing industry involves food processing while the farms produce

soybeans, potatoes, sweet potatoes, and other vegetables. Although seafood production is not as important as the previously mentioned sectors, 1980 census data show that 459 people in the county were engaged in fishing operations, or 3.3 percent of all occupations in the county. Employment in the county is much more heavily blue-collar than the state as a whole, and there are correspondingly fewer managerial and technical jobs.

Accomack County is one of the poorer counties in Virginia with income levels much below those of the state. Unemployment rates are higher and economic growth slower than in most of the rest of the state. Educational achievement levels and housing conditions in terms of age, value, and plumbing facilities are correspondingly below state levels.

Tangier Island was originally settled in 1686 and has remained a fairly isolated community ever since. Almost all of the residents have lived here their entire lives, as did their parents. There are several surnames which are extremely prevalent among the residents, evidence of the close connections among the community. The life here can be characterized as a much slower paced one when compared with the rest of state. Change in the physical surroundings is more a matter of remodeling and repairing than new construction, as evidenced by the fact that there were only six more houses on the island in 1980 than in 1970, according to U.S. Census data. Without many cars, any shopping areas, or any formal amusement facilities the townspeople rely on church activities for their main social activity. In the summertime, there are daily tour boats from Reedville, which bring tourists who stay a few hours on the island. This is the main source of visitors to Tangier.

Although most of the transportation of people and goods occurs by boat, the airport has provided access to the island for commercial and medical use and in times of medical and other emergencies. Without a resident doctor on the island, the airstrip is a necessity in medical emergencies. It has also been used in the past as a landing strip for planes bringing in food and essential supplies when the Chesapeake Bay froze. Construction of the original airstrip, which was 3,050 feet by 75 feet, was completed in 1969, with the length being increased to 3,600 feet in 1976.

The economy of Tangier is based primarily on the seafood industry. Seafood grounds in the vicinity of the island produce excellent catches of oysters, clams, and crabs, and there is a seafood processing plant on the island. Employment on Tangier that is not directly related to seafood is based on providing those services which are available on the island. The lack of economic diversity and opportunity is a major factor in the out-migration of some of Tangier's young adults and the slow decline in the population.

Sediments underlying Tangier Island are typical of the sediments of the coastal plain physiographic province, which consists of marine, coastal, and fluvial sediments ranging in age from Recent to Cretaceous. Along the western side of the island the area is overlain by approximately 30 feet of Recent to Miocene age sediments consisting primarily of sands and silty sands with occasional lenses of organic clayey silt and silty clay.

Tangier Island is relatively protected from northeast winds due to extensive shoals in Pocomoke and Tangier Sounds. However, the western shore of Tangier is exposed to waves generated by winds ranging in direction from south and north. Under conditions of spring tides and intense winds from the west, wave heights of up to three feet can be experienced at the marsh-water interface. The mean range of tide on Tangier is 1.6 feet, with a spring range of 1.9 feet.

PROBLEM IDENTIFICATION

The problem under consideration is the high erosion rate along Tangier's western shore. Although erosion has been occurring here for many years, it has been only in the last 20 years that the problem has become acute as the shoreline inches closer to the airport runway. Even though the entire western face of the island is experiencing the same severe erosion, the area of concern for this study is the half of the island south of the Tangier Channel to Chesapeake Bay. Most threatened is the runway, which has almost been undermined at the southern end. When the runway extension was constructed in 1976, an 800-foot long revetment was constructed to protect this section from erosion. Subsequently, the shoreline has been attacked both immediately to the north and south of the revetment, necessitating temporary measures to

prevent runway failure. Immediately to the east of the runway are the homes of the West Ridge which will be threatened if the runway should fail or erosion continue south of the runway. Another threatened structure is the sewage treatment plant, which is located almost due west of the airport itself. At current erosion rates, this plant will be endangered before the year 2000.

Tangier's erosion rate has been fairly constant over the past 100 years, based on an analysis of past shoreline positions. Between the years 1850 and 1942 the average rate was 18 feet per year, which increased to 20 feet per year between 1942 and 1967. For the years from 1967 to 1978 the rate varied from 14 feet to 21 feet per year, depending on the location (see figures 2 and 3). The shoreline south of the existing revetment has been receding at a higher rate relative to the total shoreline as has the 1,000-foot portion just north of the revetment. For planning purposes a rate of 20 feet per year is projected.

The high erosion rates at Tangier Island are due to the relatively long fetch, to northwest and southwest winds, to the absence of a significant sand supply to form and maintain a buffering beach, and to the nature of the marshy soils forming the island. Erosion occurs as wave action loosens large pieces of marsh, thereby exposing more marsh to the repetitive wave action.

Although there have not been any detailed studies of littoral transport on Tangier, wind data and changes in the shoreline configuration indicate that the direction of net littoral sand transport is to the south. Since the eroding shoreline is composed of march sediment containing very little sand, bank retreat itself is not contributing significantly to the sand supply. It is thought that whatever sand is moving to the south is derived from the transport of sand in the shallow sub-tidal bottom in front of the island. Most of this sand ends up at the sandy spit at the south end of the island.

This spit is an elongated fish hook shape about 6,000 feet long. The spit has undergone shape changes over the years but has consistently maintained a spit geometry. Although the spit's northwest orientation has remained essentially the same, the south facing shore has migrated eastward about 1,000 feet. This migration is expected to continue as long as erosion along the west shore continues because the spit is situated in the sheltered lee of this shore.

ALTERNATIVE PLANS CONSIDERED

Various measures were considered as potential solutions to the erosion problem. Six structural measures, five of which were conventional, were evaluated along with one non-structural plan and the no action alternative.

One structural option studied was a parallel offshore breakwater constructed of stone block or concrete rubble. For this study, a partial barrier would be constructed with the crest of the breakwater at mean sea level. This trapezoidal structure would be placed about 1,000 feet seaward of the shoreline in water about 9-10 feet deep. This alternative was eliminated from further consideration because of the large volume of material per linear yard compared to other alternative plans.

Both revetments and seawalls of various materials were strongly considered. The main difference between the two structures is that the revetment, since it rests on a sloping substrate, does not possess structural integrity against gravitational forces as a seawall does. If the material underlying the revetment is washed out, the revetment itself will collapse. Although it requires less material for construction per unit of shoreline than a seawall does, the revetment was rejected in this study because of questions about its structural integrity. It is likely that scouring would occur on the marsh side of the structure which, in turn, would lead to the collapse of the revetment. The seawall alternative was kept for further consideration.

Artificial nourishment of the western side of the island was a potential solution since there is plenty of sand suitable for beach nourishment within a few thousand feet of the beach. However, nourishment alone without a retaining structure would be very costly since the retention time on the beach face would be short. Also, waves from the south and southwest would drive the sand into the Tangier Channel with rapid and severe shoaling. Because of these factors, this plan was eliminated.

Nourishment was also considered in combination with construction of a groin field. Groins alone would not fill under natural conditions since the eroding material does not have a major amount of sand in it. In addition to this

problem, the erosion here is so great that the groins would be flanked and left isolated very quickly. However, when the groins are combined with nourishment, a much better alternative was available. For evaluation purposes, a groin length of 100 feet with 150-foot spacing between groins was chosen. The groins would be hydraulically filled with about 130,000 cubic yards of material located approximately 2,000 feet offshore. While this alternative had many merits, a seawall was considered a better structural plan because it would require less maintenance and would last longer. It would also achieve the project purpose of shoreline stabilization better than a groin system, which would have to be frequently nourished because of the high erosion rate here.

Another more experimental alternative was also studied but rejected because of the uncertainty about how well it would work on Tangier. This plan involved the placement of a mat of used auto tires on the shoreface as a floating breakwater. The chief advantage of this plan compared to either a seawall or groins lies in its lower cost per foot of protection. However, since this technique has not been used successfully very many times, it was difficult to estimate accurately the costs and efficacy of this plan. Furthermore, this alternative would require extensive and constant maintenance.

There are also two nonstructural alternatives which were considered in this study: relocation and no action. The first of these would involve acquiring the property of all those individuals who would be threatened by erosion during the 50-year life of any project. Very rough estimates indicate between 50 and 60 families would be required to move, most likely off Tangier, and all of those who live on the West Ridge would eventually be threatened. Required evacuation would be politically unpopular among the both the residents of Tangier and the state and Federal legislators who represent the island. It would have a major adverse impact on the community of Tangier and might threaten the long-term viability of the community. For these reasons, this plan was not considered any further.

The no action alternative would allow erosion to continue along the western shoreline of the island. The only impediments to this receding of the shoreline would be whatever efforts are made by non-Federal groups to prevent damage to the runway and the sewage treatment plant. Without a permanent

solution to the erosion problem, the runway, sewage treatment plant, and homes along the West Ridge will all begin to incur erosional damage before the turn of the century. If the runway becomes significantly damaged, it will become unusable, and there will be no air service possible between Tangier and the mainland. This will create a hardship for many of the island's residents in times of emergency. The loss of the sewage treatment plant would result in the dumping of raw sewage into the Chesapeake Bay, with all the negative environmental effects that would result from such an action. The other main effect of this alternative, the loss of homes and structures on the West Ridge, would be a serious blow to the residents of these homes. The loss of a major financial asset would be a serious problem for many of these residents, many of whom would be forced to relocate to the mainland. The overall effect on the community of Tangier would be extremely negative in terms of morale and community spirit and might encourage further declines in the island's population.

As a result of the evaluation of all these plans, the seawall as designed for the state appeared to be the best structural alternative for Tangier's erosion problem. This seawall would be a stone riprap structure 5,700 feet long with a crest elevation of +6.0 feet Corps of Engineers Low Water Datum (CELW) (see figure 4). It would extend from the channel on the north to a point inland just south of the existing runway. Tie-backs into land at either end of the seawall would result in coverage of some wetlands area (see figures 5 and 6). The area between the seawall and the shoreline would be backfilled using dredged material from the western portion of the Tangier Channel to Chesapeake Bay.

ECONOMIC EVALUATION

The western shore of the island is experiencing such a high erosion rate that within a few years without any protection the airport runway will become inoperable and within 20 years many of the homes along the West Ridge uninhabitable. Tangier Airport runway sits on approximately 45 acres between the West Ridge and marsh land adjacent to the shoreline. The land has an estimated value of $15,000 per acre for a total value of $675,000. A 3,050-foot runway was constructed in 1969 for $395,000. It has since been expanded to 3,600 feet. Replacement costs today are estimated to be about $1,495,000.

The sewage treatment plant, which was constructed in the early 1980's, is located just west of the runway. Valued at $3,910,000, it could be vulnerable to wave attack in about 10 years without some type of major erosion control project. The West Ridge residential properties sit on an estimated 27 acres approximately 350 feet from the shoreline at the north end and about 80 feet at the south end. About 63 houses would be threatened by severe shoreline erosion over the next 50 years. The land affected, based on county assessment information, has a total estimated value of $567,000. The houses and other structures are valued at $1,449,000 for a total residential property assessment of $2,016,000. Between the airport and the shoreline lies about 43 acres of marsh. Based on real estate valuations only, this area has a market value of $100 per acre or a total value of $4,300.

The monetary beneficial effects of a project are measured as the value of the land and improvements protected from direct erosion. The land that would be physically lost has a value of $1,246,300. The annual equivalent value of this benefit based on an interest rate of 8-5/8 percent and a 50-year project life is $32,700. This figure is based on the shoreline eroding at about 20 feet per year, first consuming the marsh and airport property, then the residential property. For benefit evaluation purposes, it was assumed that no emergency measures would be taken to retard erosion by the Town of Tangier or the state during the 50-year analysis period. In all probability, however, these governmental entities would continue to take emergency measures similar to the sheet pile bulkhead constructed at the south end of the airport runway in 1984 and the placement of sand along the eroding shoreline in 1985.

Improvements include the airport runway, sewage treatment plant, and residential structures. The total estimated value of these items is $6,854,000. With no emergency protection plan, it was estimated that the airport runway could become inoperable within 2 years. The treatment plant and residential structures would begin receiving damages within 10 years. The seawall project would prevent an estimated $323,400 in average annual equivalent damages. The damages are estimated as the value of structures lost to erosion at various times throughout the life of the project. The following table summarizes the average annual damage prevention benefits of the plan under consideration.

Table 1. DAMAGE PREVENTION BENEFITS

Item	Total damages($)	Average annual ($)
Land (a)		
Marsh	4,300	130
Airport	675,000	20,950
Residential	567,000	11,640
Improvements		
Sewage Treatment Plant(b)	3,910,000	149,840
Airport Runway and Related Facilities	1,495,000	111,050
Residential Structures	1,449,000	29,740
TOTAL	8,100,300	323,350
Rounded		323,400

(a) Does not include land enhancement benefits. It was estimated that land use would remain relatively the same with or without a project. This is because of the uniqueness of a small, isolated island economy with limited resources and potential.
(b) Land values for plant are included in values for the airport property.

The estimated first cost and annual charges of the proposed seawall are based on October 1988 prices and are summarized in the following table. The life of this project is considered 50 years. The total first cost of the seawall would be $4,390,000, with interest and amortization charges based on an interest rate of 8.625 percent.

Table 2. ESTIMATED FIRST COST AND ANNUAL CHARGES

Item	Amount
First Cost	
Mob. & demob.	$116,216
Excavation and backfill	154,283
Geotextile fabric	109,271
Core stone	479,599
Armor stone	2,068,989
Marsh grass	180,833
Subtotal	$3,109,191
Home office O.H. (3%	93,276
Subtotal	$3,202,467
Bond cost (1%)	32,025
Subtotal	$3,234,492
Contingencies (25%)	808,623
Subtotal	$4,043,115
Rounded	(4,043,000)
Lands and Damages	10,000
Supervision and Administration	220,000
Engineering and Design	117,000
Total	4,390,000
Annual Charges	
Interest @8-5/8%	$ 378,638
Amortization-50 years	6,146
Maintenance (2%)	87,800
Total (rounded)	$ 472,600

The average annual costs of the recommended plan are $472,600. Average annual benefits resulting from preserving property values physically affected by erosion and the physical loss and utility of improvements are $323,400. The benefit-to-cost ratio is 0.68. In all likelihood, however, emergency erosion measures would continue to be undertaken to impede the immediate threat of damage to the airport runway and sewage treatment plant. In this event, average annual equivalent prevention benefits would be considerably reduced. Based on the cost of temporary emergency protection

and the prevention of immediate damages, annual benefits are estimated at $124,700. Based on this analysis the benefit-to-cost ratio is 0.26.

SELECTING A PLAN

Based on the preceding economic analysis, the best structural plan, the plan which involves construction of a seawall, cannot be recommended because the costs substantially exceed the benefits. Therefore, the recommended plan would normally be the no action plan, which has been discussed previously. This plan would force the residents of Tangier to rely on whatever temporary assistance they can get from the state and local agencies to deal with the ever increasing effects of the erosion problem. However, authorization for construction of a seawall at Tangier was contained in the Water Resources Development Act of 1986, which stated "...Such project shall be carried out on an emergency basis, in view of the national, historic, and cultural value of the island and in order to protect the Federal investment in public facilities. Cost sharing applicable to hurricane and storm damage reduction shall apply to the project under this subsection."

LOCAL COOPERATION

The local sponsor, which in this case, is the state of Virginia acting through the Virginia Port Authority, must agree to the following items:

a. Provide a cash contribution of 35 percent of the project construction cost.

b. Provide without cost to the United States all lands, easements, and rights-of-way required for construction, operation, and maintenance of the project.

c. Hold and save the United States free from claims for damages which result from construction and subsequent maintenance of the project, except damages due to the fault or negligence of the United States or its contractors.

d. Maintain and operate the project after completion without cost to the United States in accordance with regulations prescribed by the Secretary of the Army.

e. Accomplish without cost to the United States such alterations and relocations that the Chief of Engineers may deem necessary with respect fo sewer, water supply, drainage, electrical, and other utility facilities.

f. The state in acquiring lands, easements, and rights-of-way for project construction, operation, and maintenance will comply with the provisions of the "Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970," Public Law 91-646 approved January 2, 1971, and as amended by the Uniform Relocation Act Amendments of 1987, Public Law 100-17(42 USC 4601).

g. The state will comply with Section 601 of Title VI of the Civil Rights Act of 1964 (Public Law 88-352), which states that no person shall be excluded from participation in, denied the benefits of, or be subjected to discrimination in connection with this project on the grounds of race, color, or national origin.

COORDINATION

Throughout the years numerous studies have been carried out in an effort to deal with the erosion problems at Tangier. These studies were outlined in the section on prior studies. Extensive coordination among state and Federal agencies occurred during many of these studies. The most recent document to receive extensive coordination was the draft Environmental Assessment, dated February 1987, which was circulated with the following state and Federal agencies for review and comment:

Accomack County
Northampton County
U.S. Environmental Protection Agency
U.S. Fish and Wildlife Service
National Marine Fisheries Service
National Park Service
Va. Historic Landmarks Commission
Va. Research Center for Archaeology
Va. State Water Control Board
Va. Council on the Environment (A-95 Clearinghouse)
Va. Commission of Game and Inland Fisheries
Va. Dept. of Conservation and Economic Development

Va. State Dept. of Health
Va. Institute of Marine Science
Va. Marine Resources Commission
Va. Soil and Water Conservation Commission
Accomack-Northampton Planning District Commission (A-95 Clearinghouse)

The results of this coordination are contained in the Final Environmental Assessment, dated May 1987.

CONCLUSIONS

The problems and needs of Tangier have been reviewed and evaluated with regard to the overall public interest and with consideration to engineering, economic, environmental, and social concerns. The conclusions drawn by the study are as follows:

a. There is a significant erosion problem on the western side of Tangier Island which is currently affecting the island's airport runway and will affect the sewage treatment plant and some homes in the near future if corrective measures are not taken.

b. The best solution to the problem from an engineering standpoint is the construction of a 5,700-foot long stone riprap seawall along the western face of the island. This alternative would not have any major adverse environmental or social effects, and would have significant positive social benefits. However, it has a benefit-cost ratio considerably below 1.0.

c. Because there is no economically justifiable, engineeringly sound structural alternative, the no action plan is the chosen alternative.

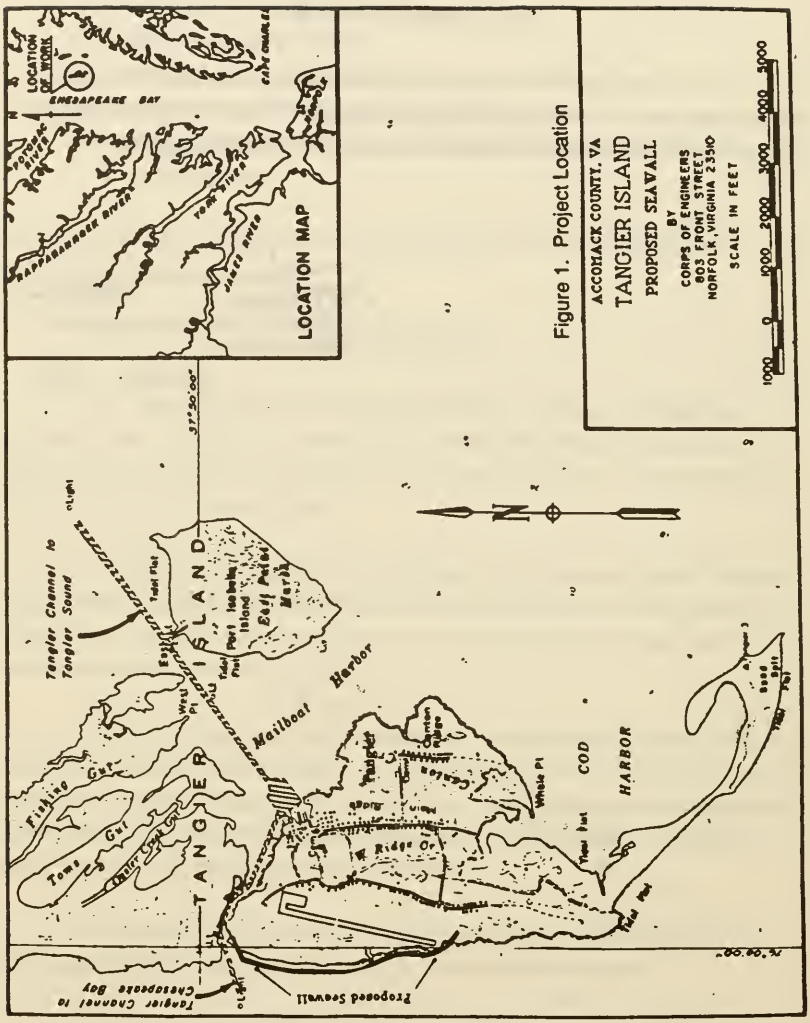
d. However, special legislation has authorized construction of the seawall along the western shore of the island.

RECOMMENDATIONS

In view of the authorizing legislation contained in the Water Resources Development Act of 1986, I recommend construction of the 5,700-foot seawall at Tangier Island, subject to the restrictions contained in such legislation.

J.J. Thomas
Colonel, Corps of Engineers
Commanding

85-091 1058


LOCATION OF WORK
CHESAPEAKE BAY
POTOMAC RIVER
RAPPAHANNOCK RIVER
YORK RIVER
JAMES RIVER
CAPE CHARLES
LOCATION MAP
Figure 1. Project Location
ACCOMACK COUNTY, VA
TANGIER ISLAND
PROPOSED SEAWALL
BY
CORPS OF ENGINEERS
803 FRONT STREET
NORFOLK, VIRGINIA 23510
SCALE IN FEET
1000 0 1000 2000 3000 4000 5000
37°30'00"
Tangier Channel to Tangier Sound
Light
Tidal Flat
TANGIER ISLAND
Fishing Gut
Tom's Gut
Cedar Cove
Mailboat Harbor
Port Isabella Island
Bell Point Marsh
Tidal Flat
Tidal Flat
Tidal Flat
Tidal Flat
Ridge Dr
Whale Pt
COD HARBOR
Tidal Flat
Tidal Flat
Tidal Flat
Tidal Flat
Tidal Flat
Tangier Channel to Chesapeake Bay
Light
Proposed Seawall
N

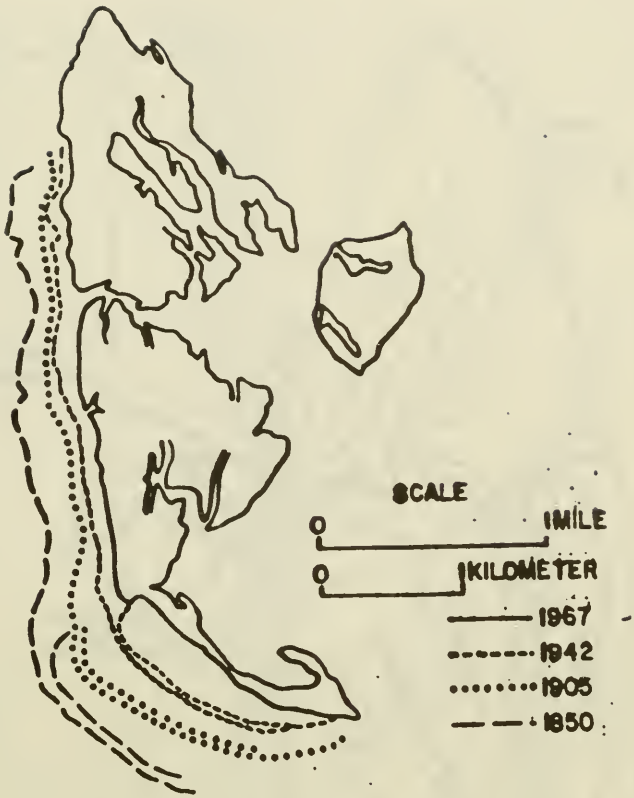


FIGURE 2. HISTORICAL SHORELINE POSITION

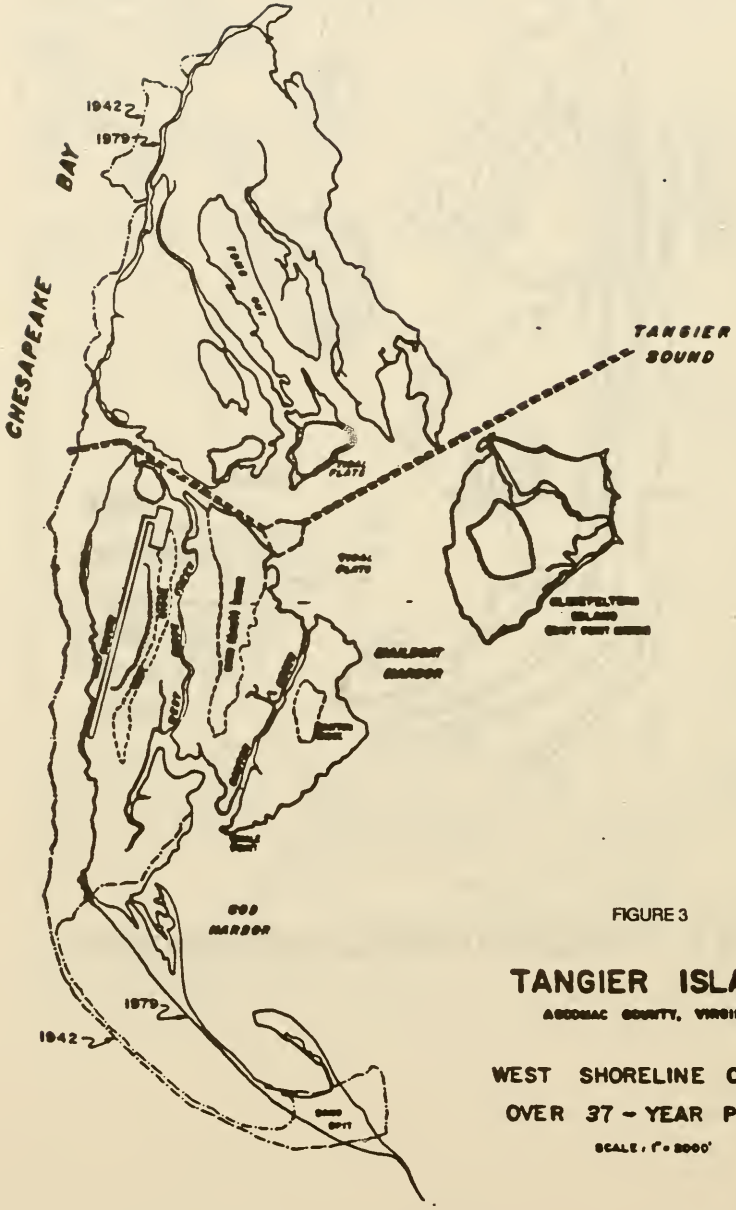


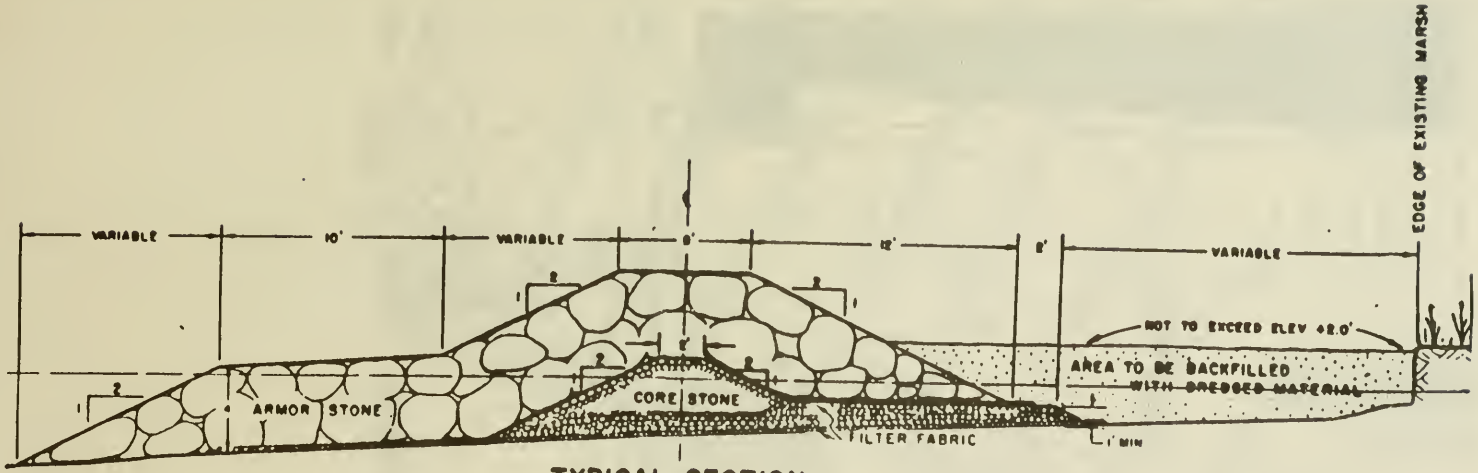
FIGURE 3

TANGIER ISLAND

ACCOMAC COUNTY, VIRGINIA

WEST SHORELINE CHANGE OVER 37 - YEAR PERIOD

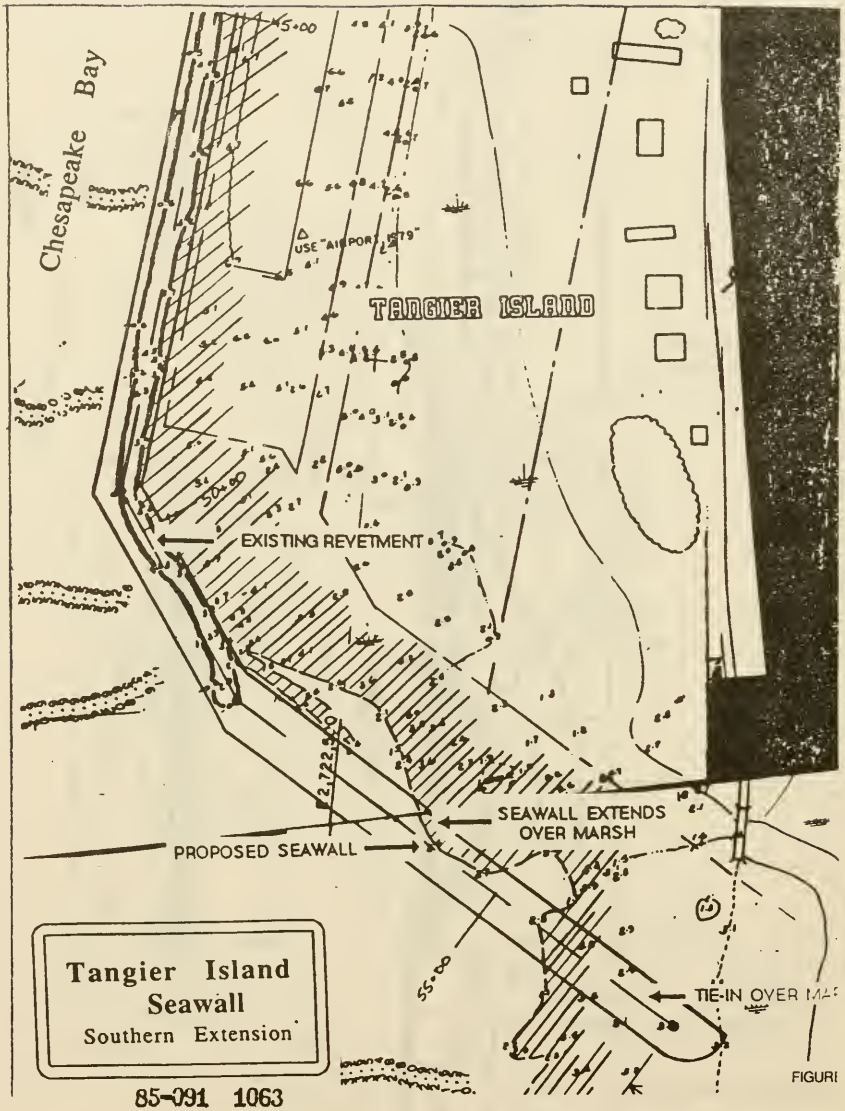
SCALE: 1" = 2000'



TYPICAL SECTION

PROPOSED SEAWALL DESIGN

FIGURE 4



85-091 1063

FIGURE

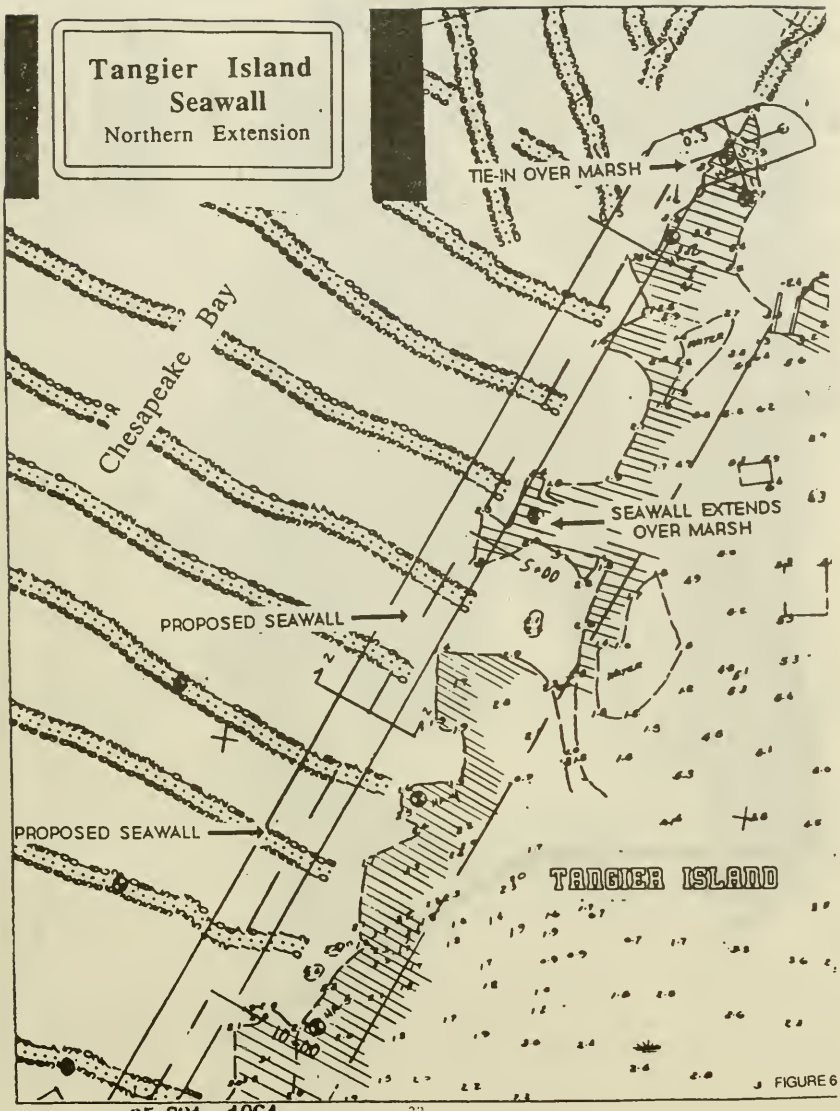
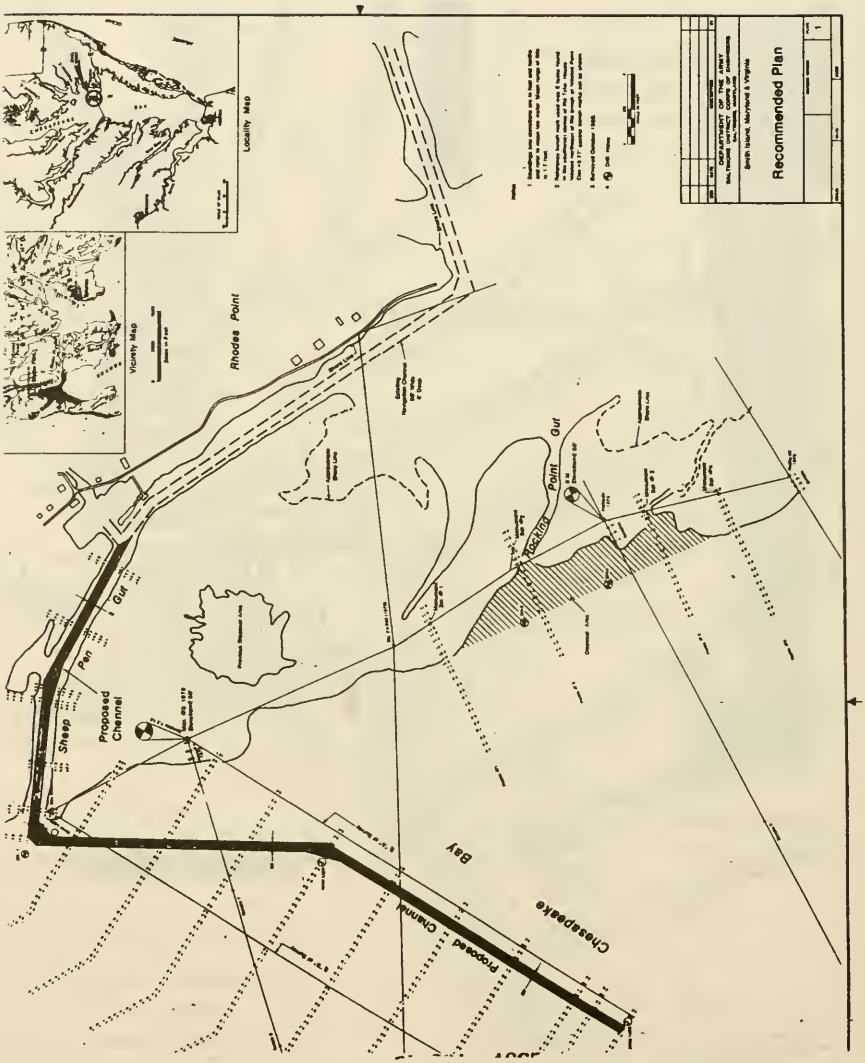
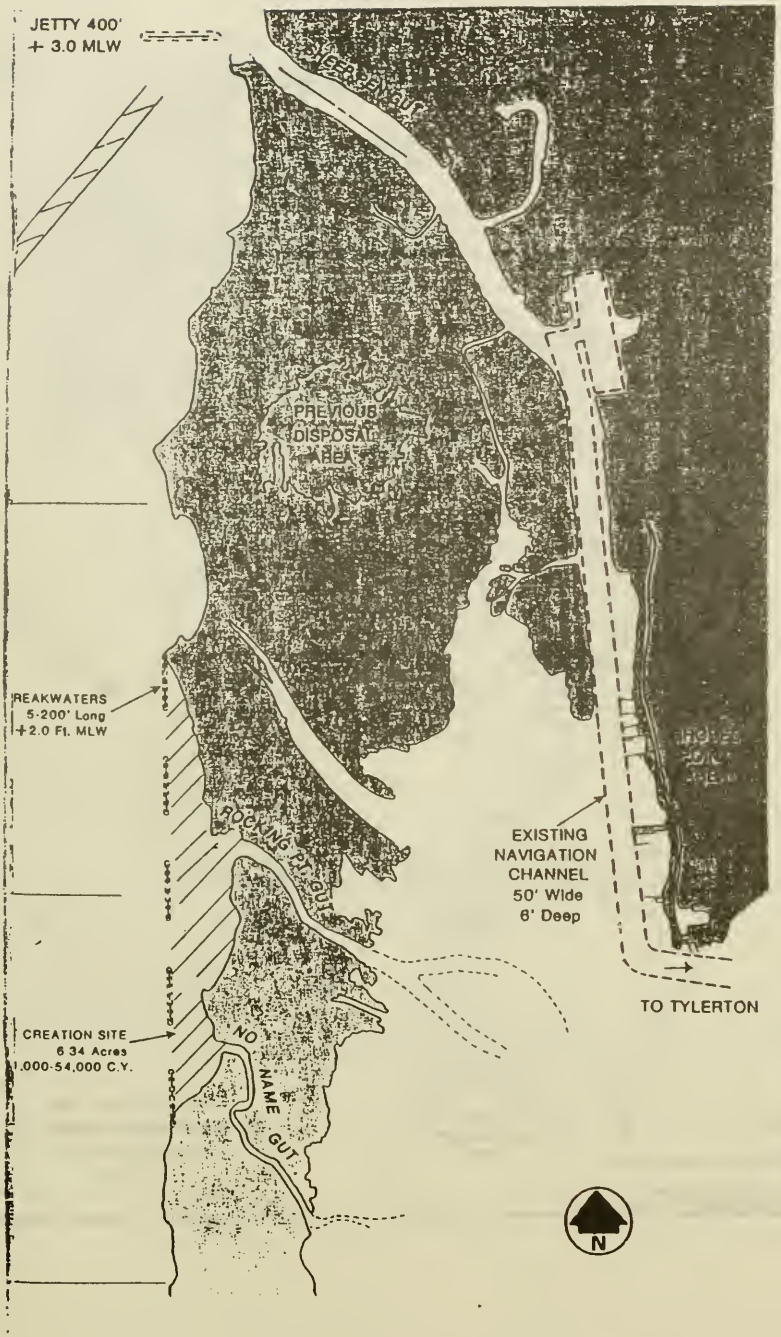
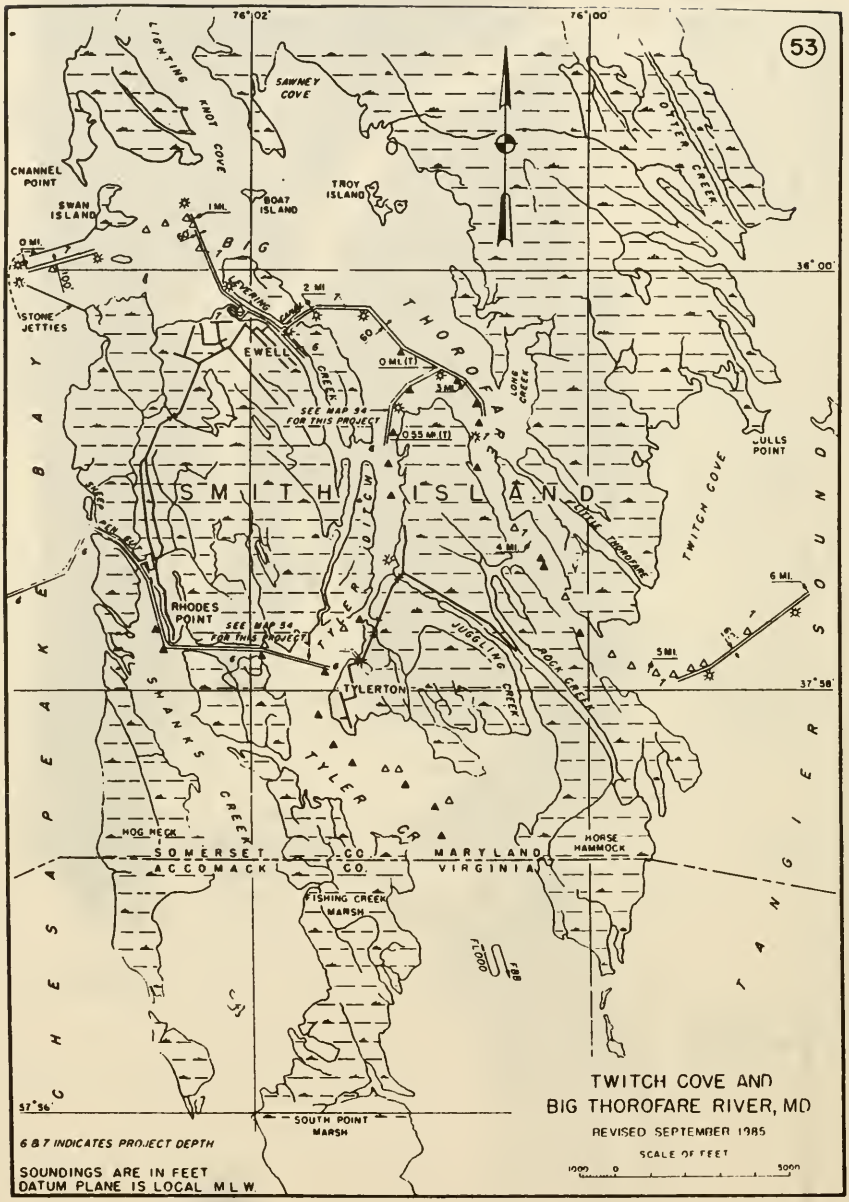


FIGURE 6

85-091 1064


Locality Map
Vicinity Map
Rhodes Point
Sheep Pen Gut
Proposed Channel
Proposed Channel
Chesapeake Bay
Tangier Sound
Tangier Island
Rockhold Point
Gut
Recommended Plan
DEPARTMENT OF THE ARMY
BALTIMORE DISTRICT, CORPS OF ENGINEERS
Smith Island, Maryland & Virginia


JETTY 400'
+ 3.0 MLW
JEREMY GUT
PREVIOUS
DISPOSAL
AREA
REAKWATERS
5-200' Long
+2.0 Ft. MLW
ROCKING PL. GUT
EXISTING
NAVIGATION
CHANNEL
50' Wide
6' Deep
TO TYLERTON
CREATION SITE
6 34 Acres
,000-54,000 C.Y.
NO NAME
GUT
N


53
76°02'
76°00'
36°00'
37°58'
37°56'
LIGHTING KNOT COVE
SAWNEY COVE
OTTER CREEK
CHANNEL POINT
SWAN ISLAND
BOAT ISLAND
TROY ISLAND
STONE JETTIES
EWELL
BIG THOROFARE
SMITH ISLAND
SEE MAP 54 FOR THIS PROJECT
LONE CREEK
FUTTER THOROFARE
TWITCH COVE
HULLS POINT
RHODES POINT
TYLERTON
JUGGLING CREEK
ROCK CREEK
SHANKS CREEK
TYLER CR
HOG NECK
SOMERSET CO.
MARYLAND
ACCOMACK CO.
VIRGINIA
HORSE HAMMOCK
FISHING CREEK MARSH
SOUTH POINT MARSH
CHESAPEAKE BAY
TANGIER SOUND
6 & 7 INDICATES PROJECT DEPTH
SOUNDINGS ARE IN FEET
DATUM PLANE IS LOCAL M.L.W.
TWITCH COVE AND
BIG THOROFARE RIVER, MD
REVISED SEPTEMBER 1985
SCALE OF FEET
1000 0 2000

TESTIMONY OF
Doug Plasencia, P.E.
Association of State Floodplain Managers Inc.

The Water Resources Development Act

FOR
The House Committee on Public Works and Transportation
Subcommittee on Water Resources and Environment

July, 1994

INTRODUCTION

The Association of State Floodplain Managers is a professional organization representing the practitioners implementing floodplain management programs at the state and local level of government. The Association has long been a proponent of the need to redirect the nation's flood protection strategies. The need for redirection is based on several factors. First flood damages continue to escalate. Second, the basic relationship between federal-state-local governments has changed. Third, we now recognize that controlling all flood waters is neither feasible nor desirable.

The Water Resources Development Act is an important authority for moving forward federal flood protection policy. Based on the lessons learned in last years midwest flood, this years Georgia flood, and most important the recommendations of the White House Interagency Floodplain Management Review Committee, led by Brigadier General Gerald Galloway, there are certain key adjustments that should be considered now. The report Sharing the Challenge: Floodplain Management into the 21st Century, provides a vision and course adjustment in federal flood policy that makes sense. The Water Resources Development Act is perhaps the first comprehensive bill before Congress that should incorporate key recommendations of this report.

SPECIFIC RECOMMENDATIONS

The following recommendations are either mentioned or are a logical extension of the Interagency report.

1. The report recognizes the importance of the use of non-structural flood protection measures. While non-structural flood protection has increased in past years it is still not widely implemented in Corps projects. To encourage the use of a cost effective alternative to flood control, we urge the development and adoption of a specific project authority for non-structural flood protection.

2. The report calls for a fundamental change in the delivery of floodplain management programs. The Corps last October in testimony before this subcommittee, joined the call for a more comprehensive approach to floodplain management. If the Corps is to meet this challenge, it needs to evaluate its own internal structure and determine how to best meet these challenges. The Corps should be directed to develop an organizational structure which would facilitate incorporation of a comprehensive floodplain management approach. The current alignments best meet the structural engineering needs of the organization. In the early 1960s the Corps was considering a Division of Floodplain Management. Perhaps it is time to revisit this strategy.

3. Flood fighting saved and caused damages in the midwest flood. Developing flood fighting plans for communities and river reaches would be an effective utilization of resource to pre-identify evacuation zones, critical protection zones, and zones where a flood fight should not be waged. The Corps would be in a strong position to provide the technical support to develop

these plans. There needs to be a framework developed for analysis and implementation. This would be an area that requires additional study and development, but could yield significant savings and efficiencies in a disaster environment.

4. Section 22, Planning Assistance to States allows the Corps to utilize an "in-kind" cost share in the development of these planning projects. The Corps by policy has blocked the use of "in-kind" cost share. The Interagency Floodplain Report calls for a need to strengthen state programs and capability. This critical Planning Assistance is not getting to those states programs that most require assistance due to lack of a cash match. The use of an "in-kind" match would allow those states to participate and develop needed products. The Act should clarify Congressional intent to allow the use of an "in-kind" match for this program.

5. The Corps of Engineer's design manuals guide all internal design of Corps projects. These same manuals are widely used by private and other public engineers for the design of flood protection projects. By in large the engineering community is not prone to using new technologies or design approaches that are not somehow "blessed" by a higher authority. In flood protection design the Corps is an authority in design strategies and approaches. Yet, at this time Corps design manuals do not include design guidance for flood proofing, retrofitting flood prone buildings, the use of bio-engineering techniques, stream restoration, and other tools for implementing non-structural alternatives. The Corps has been a leader in developing and studying the application of several of these strategies. If the Corps internally is going to utilize non-structural alternatives, or if the Congress wishes to advance the use of non-structural alternatives these designs must be incorporated into design manuals. Lacking this incorporation there will be very little change in the engineering approaches considered by the Corps and by the engineering community at large. We urge the Committee to direct the Corps to develop a series of design manuals focused on the development of non-structural design strategies.

As this committee deliberates on the Water Resources Development Act and on other programs under its jurisdiction we urge it to consider the recent floods and the direction of the Interagency Floodplain Management Review.

THE FLOODS

The Great Midwest Flood of 93' was unique for many reasons. But perhaps the most unique feature of this flood was that for the first time a natural disaster occupied the nation's attention as front page news for nearly two months. As a result the flood was the top news story for 1993. Through this process we all witnessed heroic and at time futile sand bagging efforts. We saw houses being ripped from their foundations as levees overtopped, and witnessed human misery balanced by human compassion.

Most important we observed the beginning of an American debate. From those that were flooded to those that watched and contributed from across the country it was no longer assumed that we could simply just "control" the river. Discussions that for years filled the agendas of technical gatherings made it to the media and to the American people. Discussions that had been

absent at the White House since the 1930's were being replayed. As a result we as a nation questioned whether our actions were actually increasing flood heights and flood damages. Citizens were perplexed and angered to find out that we once more were paying disaster dollars for properties flooded in the recent past.

And now one year later, the people of Georgia, Florida, and Alabama are in the midst of another wide spread regional flood. The experiences of the midwest will certainly guide this southeast recovery, but many of the same problems of recovery will arise. In 1942 Gilbert White in his land mark dissertation Human Adjustment to Floods identified a fundamental misconception in flood policy. While not an exact quote White stated in this dissertation that ...floods may be an act of God, but flood damages are often an act of man.

THE INTERAGENCY REPORT PROVIDES A VISION AND OUTLINE

The commissioning of the Interagency Floodplain Review led by Brigadier General Gerald Galloway, and the development of the report Sharing the Challenge: Floodplain Management into the 21st Century, is a logical and essential step in attempting to collate this debate over policy and to recommend a direction for our nation. This report developed with broad interagency representation provides a vision and method that makes sense. The Association of State Floodplain Managers is very enthusiastic with the direction provided by the report.

The report provides the next logical steps and is in sync with national needs.
The report also recognizes two key facts. The first is that we have not effectively used all of our floodplain management tools. The second is that current policies are based on a top down model of government that no longer works well.

After 60 plus years of implementing current flood policy, the fact remains that flood damages are escalating. Flood damage data from 1916 to 1985 adjusted for inflation and changes in population show the following trends. From 1916 to 1950, the era which gave birth to many of our current flood policies annual damages were $902 million. From 1951 to 1985 these damages are 132% higher or annual damages of $2.2 billion.

Similarly, there is well founded concern about the degraded conditions of our river systems. Significant public dollars are being spent to slow or reverse the degrading of river resources. We now realize that loss of habitat and resources not only impacts our quality of life, but adversely impacts regional and national economies.

SUSTAINABILITY: A NEW COMMON GROUND

It is not an issue of the environment or the economy today, rather recognition that the environment is our economy that is beginning to shape new public policies. This is best embodied in the concept of sustainable development. Sustainable development is a vision that recognizes that we as humans, have needs that must be met by the resources at hand. To deny

this means denying our human existence. Likewise it recognizes that human excess and abuses leads to increased public costs and to the demise of the resources which sustain us.

The Galloway report provides a long term vision of river uses that can be best described as sustainable. It provides recognition that intense human use of certain floodplain reaches will continue. It also provides recognition that open space and environmental conservation and restoration will be critical to our efforts to reduce flood losses and to restore river systems.

The concept of sustainability is supported by citizens, professionals, and academics alike. Sustainability embraces an ethic at the roots of the conservation efforts of this century. Sustainability, to work must not be artificially constrained by single purpose programs or mandates.
The Galloway report provides a direction that leads towards sustainability. The report does not develop all of the answers but clearly the report addresses several critical issues.

THE ARGUMENTS FOR CHANGE

As the title suggests "Sharing the Challenge...", floodplain management into the next century must be a cooperative exercise within government and the private sector. The title also speaks to, sharing the responsibility, which to date has not been well understood.

The Association of State Floodplain Managers has long vocalized the following:

> Federal led, single purpose programs, are increasingly ineffective and potentially damaging. Management issues are increasingly complex at the state and local levels of government. Non-federal cost share dollars are scarce, and increased flexibility is needed to develop projects that deal with multiple rather than single purpose issues. Local and regional governments are tasked with land use planning, ultimately we need to have a system in place where state and federal government are facilitators and cooperators, with local and regional governments leading the initiatives.
>
> Today state and local governments have little incentive to deal seriously with flooding problems. Projects and disaster programs require little real commitment to avoid new damages or continued mitigation of existing damages. This does not mean we advocate punishing state and local government for lack of current commitment. We do advocate a concentrated effort that would encourage the establishment of a critical level of capability at these levels of government.
>
> Environmental management has been turned into a regulatory response to curb individual actions. This is a losing strategy that needlessly polarizes people. We need to promote planning processes and programs that up front integrates and blends resource and development needs. We need to look to restoration of resources as a critical step in achieving sustainability.

Disaster costs are out of hand. By instinct we dwell on the individual, but the bulk of public money is being spent on infrastructure. Both in terms of private buildings, and public infrastructure we need to develop policies that discourage at risk development. In developed areas at risk, standards need to be developed more reflective of the risk. The social costs are too high to ignore these areas of risk.

Floodplain management as a strategy is the integration of water resource, disaster, and natural resource policies. Federal policy in these areas lack coordination within and between policy streams. This leads to feeding non-integrated programs to states which adapt the same fragmented appearance. Ultimately, the local practitioner is faced with a legion of programs that lack integration and consistency. The federal government must restore coordination to its programs and direction.

Our flood protection programs have relied too heavily on flood control as the only solution. Non-structural alternatives such as avoidance and flood proofing are generally not promoted nor understood. There are disparities in the funding, cost share and project justification criteria between structural and non-structural solutions.

THE NEXT STEPS

Based on the findings and recommendations of the Galloway Report, our long standing policy positions, and detailed work captured in Association's policy papers we urge the Clinton Administration and Congress to adopt and to move forward with the implementation of the report. While there are numerous issues in the report, we see two as being critical on which the Administration should immediately act. They are:

1. **Reinstate the Water Resources Council.** There is a need for a federal coordinating mechanism. If the Council requires reform to be effective than initiate the reform. Lacking this mechanism, will make pursuit of the report recommendations difficult. While some are vehemently opposed to the Council, remembering their historic power struggles, one must ask if we can continue to pursue disjointed strands in water policy.

2. The Administration should examine and modify **Executive Order 11988 Floodplain Management**, and affirm its commitment to floodplain management through execution and update of a new order.

These two steps are necessary to provide the background to move the Galloway Report forward, and to communicate the Administration's support of floodplain management policy as proposed in the report.

The Congress likewise should begin to examine various policy areas for adjustment. While there are numerous recommendations the following fall entirely or partially under the purview of this committee.

1. Pass a Floodplain Management Act.

An act that delineates federal, state and local responsibilities; provides fiscal support for the development of state and local capability, and establishes states as being the principal floodplain managers is a critical next step. Floodplain management is as much an act of balancing very disjoint programs as it is concentrating technical knowledge to a problem. States today are in the best position to serve this lead position. This is not a call to usurp very active, trend setting local floodplain management programs since increased capability at the local level is a highly desirous objective.

2. Develop a separate non-structural flood protection authority

Separate authorities for non-structural flood protection projects should be established in the water resource agencies. This would provide higher visibility for cost effective alternatives to flood control. It would provide an incentive for agencies to consider non-structural measures. And for those communities desirous of a non-structural alternative a path that allows all to focus more clearly on non-structural solutions.

3. Work Towards a Multi-Objective Planning and Implementation Authority

A study should be developed that would shape how to implement an over arching authority for multi-objective watershed management. The basis of this legislation would be to allow local and regional governments to develop an integrated management plan for their region that considers the resource and human need components of their region or watershed. Agencies would participate in the development of those components in which they have technical and policy expertise. Agency specific program rules would be set aside in lieu of program rules developed under this integrated planning law. The study would need to shape recommendations reflecting Congressional Committees and structure, and address the issue of how to administer a program that impacts multiple agencies.

4. Develop Uniform Post Disaster Application and Approval Mechanisms for Agency Programs

The midwest flood recovery was highly dependent on people making things happen. Significant state and local frustration was experienced however when disaster appropriations were released with lack of any integrated strategy for application. Agencies attempting to address the same problem operated under different rules and definitions. There is a need to develop authorizing language for an emergency set of rules and a uniform application process that groups similar activities under the same rules

and process. This will stop individuals from shopping for the best bargain, and will help focus agencies on a national strategy for the recovery. In combination with this strategy, block grant mechanisms should be considered that would allow states to combine various federal disaster moneys into a package consistent with federal recovery goals.

5. Increase Incentive for State and Local Government to Implement Natural Hazard Mitigation

Cost sharing in the post disaster environment should directly relate to the level of pre-disaster mitigation activities at the state and local level. First, the level of cost sharing should be reanalyzed to determine if it is meaningful in promoting mitigation at the state and local level. Those state and local communities implementing good mitigation programs should receive a lower non-federal cost share.

6. Make Sure that Federal Programs have a Coordinating Body

Support the efforts of the Administration to re-institute a federal coordination mechanism such as the Water Resources Council. Modify current authorizations or create new authorities as necessary to assure that we make coordination work.

7. Support Reforms to the National Flood Insurance Program

Support the Conference Report for the National Flood Insurance Reform Act, urge rapid administration approval and implementation.

8. Support FEMA in its Role as Disaster Programs Coordinator

Evaluate how FEMA can better fulfill Congressional expectations of disaster coordination. Provide the agency with resources and authorities that will allow the agency to be more effective in its implementation. Consolidate Congressional oversight of agency.

9. Invest in Basic data.

On an annual basis we spend $2.2 billion on flood losses, yet we lack the basic data from which to track the effectiveness of these programs. For example at this time we do not even know how many structures are at risk from flooding in the nation. Based on a structure count we could predict insurance needs, loss exposure, and whether we are adding to or depleting with time the inventory at risk. We need to seriously evaluate this question of how to acquire and utilize basic management data. The USGS should lead an effort to quantify data needs and develop a cooperative program with all agencies to begin to collect this basic information.

10. **Evaluate Project Justification Criteria**

We have convinced ourselves that National Economic Development criteria is the best means to justify federal interest in a project. We have fooled ourselves to believe that it is the most efficient. The Galloway report called for the use of the Standard Project Flood as a design flood for urban areas. At the same time agencies such as the Corps are instituting Risk Based Design Criteria. Risk Based design satisfies a need to develop the best economics for the project. On the other hand the method in all probability will justify the construction of more small projects. The end result is more demands for public works dollars, and establishing the next set of catastrophic disaster areas when the projects designs are exceeded. Objections by agencies of a standard project flood criteria probably have little to do with the rational of this technical standard, but are founded on a recognition that a standard project flood design would be difficult to justify on economics alone. Project justification should be expanded to consider environmental economies, social impacts, and trends in disaster recovery policy, along with project economics.

CONCLUSION

Sharing the Challenge: Floodplain Management into the 21st Century, is a comprehensive analysis and review of needed change in floodplain management policy. The recommendations as a total represent a vision that can put our national flood protection policies on track. The Flood Control Acts of the 20's and 30's; the National Flood Insurance Act in 1968, the Small Watershed Program and others acts have provided independent pieces of policy that have grown and faded based on agency size, might, and political influence. Gilbert White, recognized in the mid-1930's that we lacked an integrated vision for floodplain management.
General Galloway struck the same theme when he testified that there was no silver bullet to put through the heart of flood losses. The time has come to take multiple independent strands of federal flood policy and weave them into a comprehensive floodplain management policy. The Interagency report provides a vision of a new partnership with local and state government, and the modifications to existing policy required to bring forth a national floodplain management policy for the nation. The decision for the Congress and Administration is to act now while we still are paying for the midwest flood and beginning to pay for the floods of the southeast; or we can do nothing and let the Congress and Administration facing a massive regional flood in the next 10-25 years deal with these issues. Faced with annual damages of $3 billion and growing, the Association of State Floodplain Managers believe that the time to act is now. We urge this committee to take the first steps as it marks up and moves the Water Resources Development Act.

TESTIMONY

OF

WILLIAM B. SCHATZ
General Counsel

Northeast Ohio Regional Sewer District
Cleveland, Ohio

BEFORE

THE

HOUSE PUBLIC WORKS & TRANSPORTATION COMMITTEE,

SUB-COMMITTEE ON WATER RESOURCES AND ENVIRONMENT

July 26, 1994

Mr. Chairman and members of the Committee, I appreciate the opportunity to present testimony to you today. My name is William B. Schatz, and I am the General Counsel of the Northeast Ohio Regional Sewer District. Our wastewater treatment agency collects and treats the wastewater for the residents and industries of the City of Cleveland and 48 other communities in the northeast Ohio area. We were created by an Order of the Cuyahoga County Common Pleas Court in 1972. Since that time, the District has spent over $1.2 billion on construction projects to upgrade and improve water quality in the greater Cleveland area. One of the results of these efforts has been the tremendous improvement of water quality in Lake Erie and the Cuyahoga River. I have previously testified before you on this matter during hearings on the reauthorization of the Clean Water Act.

The District owns and operates three major facilities within its service area. The Westerly Wastewater Treatment Plant, which is on the Lake Erie shoreline west of Cleveland, was rehabilitated and converted to a physical chemical treatment process commencing in 1974. The District's overall expenditure exceeded $120 million for the upgrade of this 50 million gallon per day facility. Much of the facility was financed through the use of USEPA construction grant funds.

The process selected by the District was one which was touted by USEPA during the late 1960s and early 1970s as the technology of the future, particularly for facilities which treated high concentrations of industrial wastes. Rather than utilize conventional biological treatment, the process relied on removal of the solids through sand filters and carbon adsorption. During the course of construction, a number of problems were encountered both with the various phases of the

process and with certain equipment.

Through the early and mid 1980s, the District diligently dealt with construction and equipment problems and committed to the successful operation of the facility. After spending additional funds to change components of the system and process in 1989, a study of the facility was undertaken to ascertain if the process would work. The study concluded that the process was fundamentally flawed and would not enable the District to meet its NPDES permit limits for the Westerly treatment works. The District then decided to abandon and remove portions of the plant related to the physical chemical process and install a conventional biological facility with aeration and trickling filters.

A consulting engineer was retained by the District. Construction is now underway to convert the plant into a biological treatment operation. The cost of the actual conversion to a biological process will exceed $40 million, although with engineering and other costs incurred by the District, the overall cost will be somewhat higher.

In addition, USEPA has brought an enforcement case against the District because the plant does not meet its effluent limits. The District has asserted a defense in this litigation with USEPA, claiming that it relied on the technology then touted and urged upon the District by USEPA. Also, auditors of the Office of the Inspector General during the construction grant close-out audit have set aside those portions of the total cost funded with USEPA construction grants that are related to the flawed technology. This set aside means that the funds might be declared as eligible after the plant has been converted to a biological

process and then meets its permit limits.

I now request your assistance in obtaining a resolution of this problem, and acknowledging the need for an authorization of an amount not less than $40 million to assist the District in the reconstruction of this facility. This request is made with the caveat that there should be some fundamental fairness in the manner in which the users of the District's system are treated when they rely on representations made by the Federal government.

The rationale is that the District did rely on technology at this facility that was recommended and approved by USEPA. Without exception, other facilities constructed using this technology have all been converted to another process or otherwise rehabilitated. Had this facility been funded at the time when innovative or alternative construction grant funding was available, the facility most likely would have qualified for such funding. Thus, the result of the failure of the process would require that USEPA participate with funding at a level of 100% to rebuild the flawed technological portion of the treatment works.

The Westerly Wastewater Treatment Plant was by far the largest application of the physical chemical treatment technology in this country, and of course the largest facility which was unable to meet permit limits. The District spent several years and millions of dollars of its own additional funds to try to make this facility achieve its permit requirements. Now, the District must not only face the burden of the reconstruction of this facility, but must defend the lawsuit brought by USEPA. While we recognize that funding of specific projects in

today's legislative environment is difficult because there are fewer discretionary funds available, we believe that this situation is so unique that it cries for the relief we request. We also seek through the Water Resources Development Bill an acknowledgement that the District's problem of permit noncompliance is not of its making, and given the fact that USEPA participated in the selection of and urged the flawed process, no civil penalties should be assessed against the District.

In closing, I again would like to thank the Chairman and members of the Committee for your time. I would be pleased to provide any additional information for your consideration. I once more urge that the citizens of northeast Ohio receive the fair treatment to which they are entitled caused by this mistake, and that they not have to shoulder alone the burden of the cost of the change.

TESTIMONY ON
REAUTHORIZATION OF THE CLEAN WATER ACT

HOUSE PUBLIC WORKS AND TRANSPORTATION COMMITTEE
SUBCOMMITTEE ON WATER RESOURCES
MAY 26, 1994

GOOD MORNING, MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE. I AM DONALD SCHREGARDUS, DIRECTOR OF OHIO EPA. I APPRECIATE THE OPPORTUNITY TO TALK WITH YOU ABOUT THE STATE OF OHIO'S VIEWS ON THE REAUTHORIZATION OF THE CLEAN WATER ACT.

OVER THE LAST TWO DECADES, THE CLEAN WATER ACT HAS PLAYED A SIGNIFICANT ROLE IN OHIO'S EFFORTS TO PROTECT PUBLIC HEALTH AND THE ENVIRONMENT. OHIO HAS WITNESSED DRAMATIC IMPROVEMENTS IN LAKE ERIE AND IN OHIO'S RIVERS AND STREAMS DUE TO THIS IMPORTANT LEGISLATION. HOWEVER, THE EASY PROBLEMS HAVE BEEN LARGELY RESOLVED. TO EFFECTIVELY SOLVE THE PROBLEMS FACING US TODAY, WE MUST RE-EVALUATE OUR METHODS. THE TRADITIONAL PRESCRIPTIVE, "ONE SIZE FITS ALL" APPROACH TO ENVIRONMENTAL REGULATION THAT HAS ENJOYED SUCCESS IN THE PAST WILL NO LONGER PROVIDE THE SAME RETURNS.

MR. CHAIRMAN, I ASK THAT YOU RECOGNIZE THE EXPERTISE AND COMMITMENT THAT EXISTS AT THE STATE LEVEL IN THIS REAUTHORIZATION. IN THE PAST, CONGRESS AND USEPA HAVE TREATED THE STATES NOT AS PARTNERS BUT AS PART OF THE REGULATED COMMUNITY. THE STATES ARE,

IN FACT, RESPONSIBLE FOR IMPLEMENTATION OF THE PROGRAMS ESTABLISHED UNDER THE ACT AS WELL AS REQUIRED TO FUND A LARGE PORTION OF THE COST. OHIO RECOGNIZES AND SUPPORTS THE NEED FOR THE STATES TO BE ACCOUNTABLE TO CONGRESS AND THE PUBLIC REGARDING PROGRESS TOWARD ACHIEVING THE GOALS OF THE CLEAN WATER ACT, BUT EACH STATE MUST BE ABLE TO IMPLEMENT AND MANAGE THEIR PROGRAMS IN A MANNER THAT IS BEST FOR EACH GIVEN STATE. MY EXPERIENCE HAS BEEN THAT PROGRAMS WITH A STRONG FEDERAL/STATE/LOCAL PARTNERSHIP ARE HIGHLY SUCCESSFUL. AN EXAMPLE IS THE PRETREATMENT PROGRAM, WHICH HAS BEEN PARTICULARLY EFFECTIVE IN REDUCING THE DISCHARGE OF TOXICS TO OUR WATERWAYS AS A RESULT OF FEDERAL, STATE AND LOCAL GOVERNMENTS WORKING TOGETHER. SUCH PARTNERSHIPS WILL NOT EXIST UNDER CONTINUED PRESCRIPTIVE REGULATION.

AS YOU ALL KNOW, THE PURSUIT OF CLEAN WATER IS COSTLY. OHIO HAS IDENTIFIED NEARLY 6 BILLION DOLLARS IN WATER QUALITY TREATMENT AND MANAGEMENT NEEDS ACROSS THE STATE. OHIO'S TOTAL 1994 BUDGET FOR CLEAN WATER ACT PROGRAMS IS APPROXIMATELY 26 MILLION DOLLARS, OF WHICH ONLY 11.2 MILLION, OR 43 PERCENT, IS PROVIDED BY FEDERAL GRANT DOLLARS. WHILE STATE SPENDING WILL BE HELD STEADY IN 1995, THE FEDERAL CONTRIBUTION WILL BE REDUCED TO 8.9 MILLION DOLLARS, A REDUCTION OF NEARLY 21 PERCENT. GIVEN THE CURRENT FEDERAL

BUDGETARY CLIMATE, IT APPEARS THAT STATES WILL BE PAYING MORE TO ADMINISTER FEDERAL MANDATES. CONSEQUENTLY, IT IS IMPORTANT THAT CONGRESS GIVE THE STATES MORE FLEXIBILITY AND LATITUDE FOR IMPLEMENTING THE CLEAN WATER ACT REQUIREMENTS THAN THIS PROPOSED LEGISLATION ALLOWS.

CONSIDERING THE LACK OF ADEQUATE FINANCIAL SUPPORT PROVIDED BY CONGRESS TO IMPLEMENT THE CLEAN WATER ACT PROGRAMS, OHIO NEEDS TO BE ABLE TO TARGET MONIES ON THE MOST CRUCIAL LOCAL PROBLEMS THAT WILL RESULT IN THE GREATEST ENVIRONMENTAL GAIN. FOR THIS REASON, I STRONGLY ENCOURAGE THE COMMITTEE REQUIRE USEPA TO

RA

USE RISK ASSESSMENT AND COST-BENEFIT ANALYSIS WHEN DEVELOPING REGULATIONS IN ORDER TO ALLOW FOR THE COST-EFFECTIVE IMPLEMENTATION OF CLEAN WATER ACT REQUIREMENTS AT THE FEDERAL, STATE AND LOCAL LEVELS. SUCH AN APPROACH SHOULD ALSO RECOGNIZE INDIVIDUAL STATE PRIORITIES BY ALLOWING THE CONSOLIDATION OF FEDERAL GRANT FUNDS TO TARGET THESE PRIORITIES.

IN ADDITION TO INCREASED STATES COSTS, LOCAL GOVERNMENTS WILL BE SIGNIFICANTLY AFFECTED BY MANDATES UNDER THIS BILL. FOR EXAMPLE,

CSO.

UNDER SECTION 403, THERE NEEDS TO BE A PRACTICAL AND REALISTIC SCHEDULE FOR CORRECTING COMBINED SEWER OVERFLOW PROBLEMS THAT TAKES INTO ACCOUNT THE FINANCIAL CAPABILITIES OF CITIES AND MUNICIPALITIES. IN OHIO ALONE, OVER 1.6 BILLION DOLLARS WERE

ESTIMATED IN USEPA'S 1992 NEEDS SURVEY TO BE NEEDED TO CORRECT ALL EXISTING PROBLEMS WITH COMBINED SEWER OVERFLOWS. THESE MONIES WILL COME FROM CITY COFFERS AND ULTIMATELY THE PUBLIC'S POCKETS. STATES MUST BE GIVEN THE ABILITY TO DESIGN A SCHEDULE THAT WILL SHOW RESPONSIBLE PROGRESS WHILE BEING WITHIN A COMMUNITY'S FINANCIAL MEANS.

WS

I ALSO BELIEVE THAT WATERSHED MANAGEMENT IS A POSITIVE STEP TOWARD MAXIMIZING THE EFFECTIVE USE OF LIMITED RESOURCES BY RECOGNIZING THE VALUE IN TARGETING AND CORRECTING SIGNIFICANT ENVIRONMENTAL PROBLEMS. CHAIRMAN MINETA'S BILL PROMOTES SHIFTING OF RESOURCES TO THESE PROBLEMS BY ALLOWING FOR EXTENDED NPDES PERMIT TERMS OF UP TO TEN YEARS IN WATERSHEDS WITH APPROVED MANAGEMENT PLANS. MANY PERMITS, PARTICULARLY THOSE ISSUED TO SMALLER FACILITIES, DO NOT NEED TO BE ROUTINELY RECONSIDERED EVERY FIVE YEARS. SIGNIFICANT RESOURCES THAT ARE CURRENTLY USED TO REISSUE THESE MINOR PERMITS EVERY FIVE YEARS COULD BE REDIRECTED TO ADDRESS ISSUES OF GREATER ENVIRONMENTAL IMPORTANCE. I ASK THE COMMITTEE TO CONSIDER EXPANDING THE ABILITY TO EXTEND PERMIT TERMS, UP TO TEN YEARS, TO ANY WATERSHED THAT A STATE HAS INDICATED INTENT TO DEVELOP A COMPREHENSIVE WATERSHED MANAGEMENT PLAN.

Permit duration

AS WITH MY OTHER CONCERNS ABOUT THE CLEAN WATER ACT

REAUTHORIZATION, MY COMMENTS ON THE TITLE II AND TITLE VI PORTIONS OF THIS BILL - THOSE PORTIONS DEALING WITH THE STATE REVOLVING LOAN FUND - ARE BASED ON OUR DESIRE FOR INCREASED STATE FLEXIBILITY. WE WANT TO PRESERVE AND ENHANCE OUR ABILITY TO USE OHIO'S SRF TO ITS BEST POTENTIAL IN ATTAINING OUR SHARED CLEAN WATER GOALS.

SRF

MR. CHAIRMAN, I STRONGLY ENDORSE THE APPROACH TO EXPAND, WITHOUT RESTRICTING, THE CURRENT STATE REVOLVING LOAN FUND ELIGIBILITIES AS SEEN IN CONGRESSMAN MINETA'S SUBSTITUTE BILL. WE NEED TO CONTINUE TO SEEK OUT THE MOST SERIOUS WATER QUALITY NEEDS IN OHIO, AND THEN DEVELOP WAYS TO EFFECTIVELY USE OUR SRF CAPABILITIES TO MEET THOSE NEEDS. THE FLEXIBILITY OF THE EXISTING ACT ALLOWED OHIO TO DEVELOP A SUCCESSFUL APPROACH TO PROVIDE ATTRACTIVE SRF LOAN ASSISTANCE TO SOLVE AGRICULTURAL NONPOINT SOURCE PROBLEMS. AFTER LENGTHY DISCUSSIONS TO PERSUADE USEPA PERSONNEL OF THE LEGALITY OF OUR NEW FUNDING MECHANISM, WE HAVE AWARDED SIX AGRICULTURAL NONPOINT POLLUTION LOANS TOTALING OVER $400,000 IN THE LAST SIX MONTHS.

OHIO AND OTHER STATES INTEND TO EXPAND THE NON-TRADITIONAL WATER POLLUTION CONTROL USES OF OUR SRFs EVEN FURTHER TO SUCCESSFULLY ACHIEVE CLEAN WATER GOALS, BUT WE CANNOT BE SUCCESSFUL IF WE ARE BURDENED BY EXCESSIVE LIMITATIONS ON SRF USES. UNFORTUNATELY, THE SENATE HAS TAKEN A MUCH MORE PRESCRIPTIVE

APPROACH TO TITLE VI ELIGIBILITIES AND WOULD ALLOW USEPA TO HAVE MUCH GREATER DISCRETION IN DECIDING WHAT WATER QUALITY IMPROVEMENTS SHOULD BE ELIGIBLE FOR SRF ASSISTANCE. I URGE THE HOUSE TO RESIST THE CLAIMS THAT LIMITING ELIGIBILITIES WILL SOMEHOW MAKE SRF CAPITALIZATION DOLLARS EXTEND FURTHER. IT WILL NOT DO SO. INSTEAD, NEW GENERALIZED LIMITATIONS WILL ONLY PREVENT US FROM HAVING THE BADLY NEEDED VERSATILITY TO ADDRESS OUR MOST SEVERE WATER QUALITY NEEDS IN OUR INDIVIDUAL STATES.

Hardship Assistance

NEXT, I WOULD LIKE TO COMMEND THE COMMITTEE FOR INCLUDING A HARDSHIP ASSISTANCE PROVISION IN ITS SRF REAUTHORIZATION. WE WOULD REQUEST HOWEVER, THAT CRITERIA TO QUALIFY FOR HARDSHIP ASSISTANCE NOT BE DETERMINED UNIVERSALLY. INSTEAD, EACH STATE SHOULD HAVE THE ABILITY TO DEFINE ITS OWN STANDARDS, INCLUDING POPULATION THRESHOLDS, ACCORDING TO GUIDANCE WHICH HAS BEEN JOINTLY DEVELOPED BY THE STATES AND USEPA. ADDITIONALLY, HARDSHIP ASSISTANCE SHOULD BE AVAILABLE TO BOTH SECTION 212 AND 319 RECIPIENTS; EXTENDED REPAYMENT SCHEDULES SHOULD BE AVAILABLE FOR UP TO 40 YEARS, DEPENDING UPON THE USEFUL LIFE OF THE FACILITY; AND THE TYPE AND AMOUNT OF SUBSIDY TO HARDSHIP RECIPIENTS SHOULD BE DETERMINED BY THE STATE IN ACCORDANCE WITH THE EXISTING REQUIREMENTS FOR CONTINUED FINANCIAL VIABILITY OF THE SRF.

I OPPOSE THE BIPARTISAN ALTERNATIVE'S CONCEPT OF LIMITING

HARDSHIP ASSISTANCE SUBSIDY AMOUNTS TO A NEGATIVE 2% INTEREST RATE. DEPENDING UPON HOW USEPA PRESCRIBES THIS SUBSIDY TO BE CALCULATED, A NEGATIVE 2% WOULD BE WOEFULLY INADEQUATE TO HELP OHIO COMMUNITIES WHICH ARE IN MOST NEED OF HARDSHIP ASSISTANCE. INSTEAD, STATES NEED THE ABILITY TO STRUCTURE HARDSHIP ASSISTANCE ACCORDING TO THE NEEDS OF THEIR CLIENT COMMUNITIES, NOT ACCORDING TO FEDERAL PRESCRIPTION. WE REQUEST THAT ALL REFERENCE TO ABSOLUTE VALUES FOR INDIVIDUAL PROJECT SUBSIDIES BE DELETED.

WE STRONGLY SUPPORT THE INCLUSION OF INTERESTS IN LAND FOR TREATMENT WORKS CONSTRUCTION, AS LONG AS IT IS CLEAR THAT THE INTENT OF CONGRESS IS TO RETAIN THE EXISTING FULL ELIGIBILITY OF INTERESTS IN LAND FOR NONPOINT SOURCE AND ESTUARY PROJECTS. TO PROHIBIT LAND ELIGIBILITY PLACES AN UNNECESSARY EXPENSE AND INCONVENIENCE ON APPLICANTS FOR TREATMENT WORKS CONSTRUCTION. FURTHERMORE, INTERESTS IN LAND WILL BE A CRITICAL TOOL IN NONPOINT SOURCE POLLUTION PREVENTION AND RIPARIAN HABITAT RESTORATION IN OHIO. FOR EXAMPLE, WE ARE PARTICIPATING IN A PUBLIC/PRIVATE COALITION OF ENVIRONMENTAL GROUPS TO PROTECT ONE OF OUR NATIONAL SCENIC RIVERS FROM DEGRADATION BY MEANS OF PROPERTY RIGHTS ACQUISITION.

NP

MY COMMENTS ON THE NONPOINT SOURCE POLLUTION CONTROL PROVISIONS OF THIS REAUTHORIZATION FOCUS ON THE NEED TO RECOGNIZE

THAT A DIFFERENT REGULATORY APPROACH WILL BE NEEDED TO SOLVE THESE PROBLEMS.

NONPOINT SOURCES HAVE NOT BEEN EXTENSIVELY REGULATED IN THE PAST. TIME AND COOPERATION WILL BE REQUIRED TO DEVELOP AN UNDERSTANDING OF THIS NEWLY-REGULATED AREA, AS WELL AS TO DEVELOP COMMUNITY UNDERSTANDING OF THE NEED TO REGULATE NONPOINT SOURCES. IT WILL ALSO BE NECESSARY FOR FEDERAL AND STATE REGULATORS TO DEVELOP AN UNDERSTANDING OF CERTAIN SUBJECTS, SUCH AS FARMING PRACTICES, THAT THEY HAVE NEVER HAD TO MASTER IN THE PAST. DEVELOPING A COOPERATIVE ATMOSPHERE WITH FARMERS AND OTHERS WILL ALSO BE NECESSARY TO CREATE A SUCCESSFUL NONPOINT SOURCE PROGRAM.

I AM PLEASED THAT YOU RECOGNIZE THE VALUE IN MAINTAINING THE VOLUNTARY NATURE OF THE NONPOINT SOURCE PROGRAM. FOR EFFECTIVELY ADDRESSING NONPOINT SOURCE PROBLEMS, I FULLY SUPPORT VOLUNTARY PROGRAMS FIRST, AND IN THE EVENT THESE FAIL, FOLLOWING WITH MANDATORY IMPLEMENTATION.

ALTHOUGH THE SECTION 319 PROGRAM HAS ONLY PROVIDED MINIMAL FUNDING FOR NONPOINT SOURCE CONTROL DEMONSTRATION PROJECTS, OHIO HAS USED THIS PROGRAM TO MAKE RAPID PROGRESS IN ADDRESSING NONPOINT SOURCE POLLUTION THROUGH VOLUNTARY MEANS IN KEY WATERSHEDS THROUGHOUT THE STATE. SOME OF THESE WATERSHEDS ARE

THE MAUMEE RIVER, THE BLACK RIVER AND BIG DARBY CREEK. BIG DARBY CREEK WAS RECENTLY DESIGNATED AS A NATIONAL SCENIC RIVER, RECOGNIZING THE HIGH WATER QUALITY THAT HAS BEEN ATTAINED IN THIS STREAM. OUR EXPERIENCE HIGHLIGHTS THE FACT THAT THE VOLUNTARY APPROACH IS EFFECTIVE. CONGRESS MUST NOW PROVIDE ADEQUATE FUNDING TO FULLY SUPPORT THE PROGRAM.

I AM CONCERNED ABOUT THE PROPOSED SCHEDULE TO ADDRESS WATERS DEGRADED BY NONPOINT SOURCE POLLUTION. THE DEVELOPMENT OF A SCHEDULE TO ADDRESS 20% OF THESE WATERS EACH YEAR, AS HAS BEEN PROPOSED, IS COSTLY AND UNREALISTIC. IN OHIO, WE WILL NEED AN ADDITIONAL 4.1 MILLION DOLLARS A YEAR, AN INCREASE OF OVER 600 PERCENT, TO MEET THE REQUIREMENTS UNDER THIS PROVISION. WITHOUT ADEQUATE FEDERAL FUNDING, A SCHEDULE TO ADDRESS 5% TO 10% OF THESE WATERS EACH YEAR IS REALISTIC.

IN SUMMARY, I BELIEVE WE ARE AT A CROSS-ROADS WITH THIS REAUTHORIZATION OF THE CLEAN WATER ACT. WE CAN OPT FOR A CONTINUATION OF ATTEMPTING TO PROTECT WATER QUALITY, INADEQUATELY AND AT HIGH COST, THROUGH BUSINESS AS USUAL, OR WE CAN RE-INVENT OUR FEDERAL/STATE RELATIONSHIP WITH THE REGULATED COMMUNITY. IN OHIO, GOVERNOR GEORGE VOINOVICH HAS ESTABLISHED A CLEAR DIRECTION FOR THE OHIO EPA TO WORK COOPERATIVELY WITH MUNICIPALITIES, INDUSTRIES AND THE PUBLIC TO ACHIEVE OUR CLEAN

WATER VISION. I AM FULLY SUPPORTING INITIATIVES FROM MY AGENCY TO ENCOURAGE VOLUNTARY AND INCENTIVE-BASED COMPLIANCE, AS WELL AS TO PROVIDE EDUCATION AND TECHNICAL ASSISTANCE PROGRAMS, INSTEAD OF RELYING PRIMARILY ON ENFORCEMENT ACTIONS TO ACHIEVE OUR CLEAN WATER GOALS IN OHIO.

MR.CHAIRMAN AND MEMBERS OF THE COMMITTEE, THIS APPROACH REFLECTS A REALIZATION OF THE NEED TO BE MORE EFFECTIVE IN ENVIRONMENTAL PROTECTION AND TO BE MORE RESPONSIVE TO THE ENVIRONMENTAL OBJECTIVES OF OUR CITIZENS. I BELIEVE THAT WE CAN INCREASE OUR ACCOUNTABILITY TO THE PUBLIC AND ACHIEVE OUR WATER QUALITY GOALS AT THE SAME TIME. PLEASE HELP US TO DO SO BY ACCEPTING OUR RECOMMENDATIONS AND BEST JUDGEMENT ON THESE REAUTHORIZATION ISSUES.

I APPRECIATE YOUR TIME AND ATTENTION THIS MORNING. THANK YOU.

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for inclusion in the hearing record

STATEMENT OF
MR. NICK P. SEFAKIS
General Manager
Metropolitan Water District of Salt Lake City

LITTLE DELL LAKE, UTAH

FINAL COST ALLOCATIONS

Presented to
The Water Resources and Environment Subcommittee
House Public Works and Transportation Committee

July 26, 1994

The Honorable Chairman Applegate and Subcommittee Members:

Mr. Chairman and distinguished members of the committee, I am Nick P. Sefakis, General Manager of the Metropolitan Water District of Salt Lake City, Utah. I also have with me today Mr. Joseph Novak, General Counsel of our district and Dr. Bory Steinberg, consultant with Steinberg and Associates, McLean, Virginia. We are here to present a proposal to adjust the cost allocation on the Little Dell Lake, Utah Project.

The Little Dell Lake, Utah project was originally authorized by Congress in 1960 and was reauthorized by the Flood Control Act of 1968. The project document called for a reservoir with a full pool of 50,000 acre-feet, Mill Creek Tunnel and Emigration Creek Tunnel. The project benefits included flood control, water supply and recreation. The project was reduced to a 30,000 acre-foot reservoir and both tunnels were eliminated, in legislation, by Section 170 of the Water Resources Development Act of 1976. That section authorized the U.S. Army Corps of Engineers (Corps) "to decrease the amount of storage capacity so as to more adequately reflect existing needs". The basis for reducing the size of the project was that it was too large for Salt Lake County. It simply was too expensive. As a result, the total storage requirement of the project was reduced to 30,000 acre-feet.

During the late 1970s and early 1980s the local sponsors were unable to agree to provide the requirements of local cooperation. Primarily, this entailed the unwillingness of Salt Lake County to provide the requirements of local cooperation for flood control, which were actually minimal prior to the Water Resources Development Act of 1986 (WRDA '86). Following serious flooding in Salt Lake City in 1983, Salt Lake County agreed to support the project. However, by that time, the only way the project could proceed would be with cost sharing up front for all project purposes. It quickly became evident that the 30,000 acre-foot reservoir project was unaffordable based on the "voluntary" cost sharing formulas which the Corps was proposing at a then estimated total project cost of $81 million.

Based on the cost sharing formulas proposed by the Corps in 1984, recreation became very expensive because the "voluntary cost sharing formula" called for non-Federal sponsors to pay 50 percent of joint and separable costs. Prior to that point in time, the 50 percent cost sharing applied to separable costs only, consistent with the Federal Water Project Recreation Act. The Corps and sponsors signed a Memorandum of Agreement (MOA) in September 1984 which required 50 percent cost sharing of joint and separable recreation costs, and stated that "the cost sharing and financing plan is to provide for subsequent revision if new cost sharing arrangements are specified subsequently in law." However, recreation was deleted from the project plan because the sponsors could not afford to pay 50 percent of both joint and separable recreation costs. The fact that WRDA '86 did not change the cost sharing formula for recreation established by the Federal Water Project Recreation Act was never explained to the non-Federal sponsors.

The Metropolitan Water District of Salt Lake City, together with the Salt Lake City Department of Public Utilities and Salt Lake County hired a local consulting firm to come up with a scaled down project that was affordable. The firm proposed a smaller reservoir project as did the Corps. Both of these alternatives, in the range of 20,000 acre-feet, were suitable for flood control, water supply and recreation. We decided to proceed with the Corps scaled down project without recreation.

Following appropriation of construction funds in the FY 1985 Supplemental Appropriation Act and the requirement in that Act to sign a Local Cooperation Agreement (LCA) by June 30, 1986, we signed an LCA on June 10, 1986, which allocated the entire project costs to flood control (76.8 percent) and to water supply (23.2 percent). There was no allocation to recreation. The end result was that the non-Federal costs with recreation would have been less than the non-Federal cost without recreation. Obviously, we would have elected to include recreation if we had been correctly advised. Accordingly, in the interest of equity and fairness, we are seeking legislation that would allocate costs as proposed by the Corps in its February 1984 Reexamination Report. This would result in a cost allocation of approximately 35.7 percent overall non-Federal cost rather than 42.5 percent as called for by the LCA (100 percent for water supply and 25 percent for flood control).

Mr. Chairman, construction of the 20,500 acre-foot Little Dell Lake project was completed last year. We are simply asking that legislation allocating costs on the basis of the Corps 1984 Report form the basis for our final cost sharing with the Corps. We are supportive of WRDA '86 cost sharing formulas. We are therefore asking for a fair allocation of costs taking into consideration the facts which I have outlined today.

I also would like to note that the Little Dell Lake, Utah project was the first multi-purpose reservoir project in the country to be jointly cost shared between the federal government and a local sponsor under the cost sharing provisions of WRDA '86 with the federal government paying 57.5 percent of the costs and the local interests paying 42.5 percent. As I noted above, we request that the 42.5 percent be reduced to 35.7 percent for the reasons stated in this testimony.

STATEMENT OF
JEFF L. TAYLOR
GENERAL MANAGER, KINGS RIVER CONSERVATION DISTRICT
before the
WATER RESOURCES SUBCOMMITTEE, HOUSE PUBLIC WORKS COMMITTEE
regarding
THE WATER RESOURCES DEVELOPMENT ACT OF 1994
July 26, 1994

Mr. Chairman and members of the Subcommittee:

My name is Jeff L. Taylor and I am the General Manager of the Kings River Conservation District with offices in Fresno, California. I am also appearing today on behalf of the Kings River Water Association. The District's service area includes all of the 1.1. million acres served by the Kings River and administered by the Kings River Water Association.

Pine Flat Dam on the Kings River was constructed by the U.S. Army Corps of Engineers in 1954 and helps to irrigate thousands of farms that produce gross revenues of nearly $2 billion a year. The project provides flood protection and domestic water for 750,000 people in portions of Fresno, Kings and Tulare Counties of the San Joaquin Valley. At the time Pine Flat Dam was constructed, provision was made for the future addition of a hydroelectric power facility. That hydroelectric power plant was completed in 1984 and generates millions of kilowatt-hours for operation of the California Aqueduct.

A growing environmental awareness has placed new and competing demands on the Kings River water supply. This has and is causing conflicts over how the project should be operated. Fortunately, many water users, environmentalists and federal agencies have begun looking for ways to resolve these competing demands while minimizing conflict.

The Corps of Engineers has just finished a reconnaissance study that explored ways to restore fish and wildlife habitat on the Kings River. The study is primarily focused on improving the fisheries in the river below Pine Flat Dam and in Pine Flat Reservoir. The study is scheduled to move to the feasibility phase during fiscal year 1994-5. The Kings River Conservation District has issued its letter of intent to cost-share in the feasibility phase of the study, and other Kings River interests have agreed to participate in that cost-sharing commitment. We strongly support this study because we are hopeful that it will lead to enhancement of the fishery on the Kings River in a cooperative manner that resolves conflict.

The reconnaissance study recommended several habitat restoration measures for further study, including installation of a turbine bypass and temperature control structure to improve water temperatures for fish; water transfers to increase instream flows for fish; creation of new wetlands and restoration of riparian habitat; and raising Pine Flat Dam to increase water supplies for environmental purposes.

The Corps estimates that the feasibility study, design and authorization of these measures could take as long as six or seven years. However, some of the improvements identified in the Kings River reconnaissance study could be implemented in half that time if they were done under the authority of Section 1135 of the Water Resources Development Act of 1986. The Section 1135 authorized the Corps to undertake relatively small-scale environmental modifications at existing projects on a cost-sharing basis with local sponsors.

Although items such as raising Pine Flat Dam and the multi-level temperature control device are too large and expensive to be done under Section 1135, others are ideally suited to the program. The turbine bypass, for example, which has an estimated cost of only $2.3 million, would increase the operational flexibility of the project to allow more efficient release of cold water for trout. Rapid installation of the bypass is supported by the California Department of Fish and Game. A letter from the Department of Fish and Game endorsing the bypass is attached to my testimony.

Of course, the turbine bypass alone will not resolve all of the fishery issues. But it is a good start. The proposed statutory language offered by Congressman Dooley and Lehman would direct the Corps to undertake the turbine bypass as a separate Section 1135 project and to consider using that program to do other measures identified in the reconnaissance report. Items

not done under Section 1135 should be examined in a feasibility study, and their proposal directs the Corps to do such a study.

We strongly support the request of Congressmen Dooley and Lehman that the Committee consider statutory and report language for the Water Resources Development Act that will speed the implementation of fish and wildlife habitat improvements on the Kings River.

I appreciate the privilege of appearing before the Committee and respectfully urge your support and ask that my statement be made a part of the hearing record.

STATE OF CALIFORNIA—THE RESOURCES AGENCY PETE WILSON, Governor

DEPARTMENT OF FISH AND GAME
REGION 4
1234 E. Shaw Avenue
Fresno, CA 93710
(209) 445-6152

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July 21, 1994

Mr. Jeff Taylor, Manager
Kings River Conservation District
4886 E. Jensen Avenue
Fresno, California 93725-1899

Dear Mr. Taylor:

This reiterates our Department's concurrence, as stated at the June 9, 1994 Kings River Fisheries Committee meeting, with your District and the Kings River Water Association (KRWA) proceeding immediately on seeking funding, design specifications and construction of a turbine bypass facility at Pine Flat Dam. We concur with your District and the KRWA that such a structure would afford needed flexibility in the water temperature management at Pine Flat Reservoir, which is essential to begin addressing the ongoing temperature-related fishery problems of the lower Kings River. The existing problems occur largely due to the arrangement of the various water release ports in the dam, as originally designed and constructed by the U.S. Corps of Engineers. As you are aware, there is considerable public interest in having these temperature-fishery issues addressed as early on as possible. We see the turbine bypass line as a necessary major step toward that objective.

Providing the bypass line on an advance schedule would enable us to achieve at least some level of temperature regulation, significantly in advance of the schedule on which it can be achieved through the Corps of Engineers current Fish and Wildlife Restoration Program. This would mean that other elements in our joint fisheries program could proceed and begin to generate public benefits at a much earlier time. We have seen no indication that a bypass line would interfere in any way with the feasibility, construction and/or operation of any of the other remaining elements of the Corps' Restoration Program; therefore, the advance development of the turbine bypass would seem to be very desirable.

Unfortunately, our concurrence must be limited to conceptual support and some level of assistance by our existing staff. As you are aware, we cannot commit the State's funding to any project in the absence of enabling action by the State Legislature. We nevertheless very much appreciate your

Mr. Jeff Taylor
July 21, 1994
Page Two

District's and KRWA's cooperation and support, both in this matter specifically and in our ongoing broader efforts to resolve and remediate the Kings River fishery problems. If you have any questions, please contact me at your convenience.

Sincerely,

George D. Nokes
Regional Manager

cc: Mr. Douglas J. Woodman
Kings River Water Association

Mr. Robert Leake
Fresno Irrigation District,
Chairman, Kings River Fisheries Committee

Mr. Boyd Gibbons, Director
Department of Fish and Game

KRCD

Kings River Conservation District

4886 E. Jensen Avenue • Fresno, California 93725-1899
Telephone (209) 237-5567

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April 13, 1994

Colonel John N. Reese
District Engineer
Sacramento District, Corps of Engineers
Department of the Army
1325 J Street
Sacramento, California 95814 2922

Dear Colonel Reese:

This letter will serve to convey the intention of the Kings River Conservation District (KRCD) to be the non-Federal sponsor and to express our understanding of the related responsibilities associated with your Pine Flat Dam Fish and Wildlife Habitat Restoration feasibility study.

Your Planning Division is currently completing the reconnaissance phase of the study which identified the following measures for investigation during the feasibility phase:

a) Raise Pine Flat Dam
b) Installation of a temperature control structure
c) Installation of a turbine by-pass line
d) Water transfers to achieve increased minimum flows
e) Creation of new wetlands and habitat improvements
f) A re-evaluation of the flood control criteria at Pine Flat Reservoir.

We understand that a non-Federal sponsor will be required in order to proceed into the feasibility study phase. We also understand that the non-Federal sponsor will be responsible for 50 percent of the estimated $6-7 million feasibility study cost. The non-Federal share can be provided entirely in cash, or up to 50 percent of the non-Federal share can be provided as in-kind services. The non-Federal share that is funded in cash is normally required to be provided in advance on a quarterly basis. The scope of the feasibility study and the form of cost sharing will be negotiated and included in the Feasibility Cost Sharing Agreement (FCSA). Please be advised that KRCD will need to seek the financial support of other agencies prior to entering into the FCSA. We further understand that neither this letter of intent nor the subsequent FCSA commits KRCD to participation in the preconstruction engineering and design phase, or the construction phase of the Project.

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Based on the foregoing, KRCD is willing to be the non-Federal sponsor for the feasibility study and negotiate the FCSA with the Corps of Engineers.

If you need additional information or would like to discuss this further, please call me at (209) 237-5567.

Sincerely yours,

Jeff L. Taylor
General Manager Chief Engineer

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